The Peoples Gas Light and Coke Company

Comparison of Prior Forecasts to Actual Data
Income Statement

Historical Year Ended December 31, 2009

Line No.	Description	Actual	Budget (1)	Actual vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 1,148,651,000	$ 1,331,669,000	$ (183,018,000)	(13.7%)	1
2	Operating Expenses:					2
3	Cost of Gas	655,954,000	831,306,000	(175,352,000)	(21.1%)	3
4	Other Operation and Maintenance	337,074,000	325,029,000	12,045,000	3.7%	4
5	Depreciation Expense	53,421,000	50,885,000	2,536,000	5.0%	5
6	Amortization of Other Limited Term Gas Plant	11,091,000	10,864,000	227,000	2.1%	6
7	Taxes Other Than Income	18,925,000	20,855,000	(1,930,000)	(9.3%)	7
8	Federal Income Taxes-Current	(3,625,000)	26,273,000	(29,898,000)	(113.8%)	8
9	State Income Taxes-Current	(122,000)	3,195,000	(3,317,000)	(103.8%)	9
10	Deferred Income Taxes	21,044,000	(7,889,000)	28,933,000	(366.8%)	10
11	Investment Tax Credit	(329,000)	(240,000)	(89,000)	37.1%	11
12	Total Operating Expenses	1,093,433,000	1,260,278,000	(166,845,000)	(13.2%)	12
13	Operating Income	55,218,000	71,391,000	(16,173,000)	(22.7%)	13
14	Income from Utility Plant Leased to Others	83,000	-	83,000	-	14
15	Utility Operating Income	55,301,000	71,391,000	(16,090,000)	(22.5%)	15
16	Other Income, Net of Income Deductions	(160,000)	163,000	(323,000)	(198.2%)	16
17	Income Before Interest Charges	55,141,000	71,554,000	(16,413,000)	(22.9%)	17
18	Interest Charges	27,514,000	33,858,000	(6,344,000)	(18.7%)	18
19	Net Income	$ 27,627,000	$ 37,696,000	$ (10,069,000)	(26.7%)	19

Note: (1) For 2009, the budget column represents a revised budget that was used for management purposes due to the economic downturn.
The revised budget was addressed in Docket Nos. 09-0166/0167 (Cons.).

The Peoples Gas Light and Coke Company

Comparison of Prior Forecasts to Actual Data
Income Statement

Historical Year Ended December 31, 2010

Line No.	Description	Actual	Budget	Actual vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 1,071,419,000	$ 1,218,689,000	$ (147,270,000)	(12.1%)	1
2	Operating Expenses:					2
3	Cost of Gas	543,061,000	687,273,000	(144,212,000)	(21.0%)	3
4	Other Operation and Maintenance	324,702,000	321,129,000	3,573,000	1.1%	4
5	Depreciation Expense	73,853,000	73,943,000	(90,000)	(0.1%)	5
6	Amortization of Other Limited Term Gas Plant	5,729,000	5,648,000	81,000	1.4%	6
7	Taxes Other Than Income	19,960,000	19,641,000	319,000	1.6%	7
8	Federal Income Taxes-Current	14,472,000	33,862,000	(19,390,000)	(57.3%)	8
9	State Income Taxes-Current	4,676,000	3,876,000	800,000	20.6%	9
10	Deferred Income Taxes	18,484,000	(5,176,000)	23,660,000	(457.1%)	10
11	Investment Tax Credit	(356,000)	(360,000)	4,000	(1.1%)	11
12	Total Operating Expenses	1,004,581,000	1,139,836,000	(135,255,000)	(11.9%)	12
13	Operating Income	66,838,000	78,853,000	(12,015,000)	(15.2%)	13
14	Income from Utility Plant Leased to Others	91,000	-	91,000	-	14
15	Utility Operating Income	66,929,000	78,853,000	(11,924,000)	(15.1%)	15
16	Other Income, Net of Income Deductions	658,000	144,000	514,000	356.9%	16
17	Income Before Interest Charges	67,587,000	78,997,000	(11,410,000)	(14.4%)	17
18	Interest Charges	25,521,000	27,774,000	(2,253,000)	(8.1%)	18
19	Net Income	$ 42,066,000	$ 51,223,000	$ (9,157,000)	(17.9%)	19

The Peoples Gas Light and Coke Company

Comparison of Prior Forecasts to Actual Data
Income Statement

Historical Year Ended December 31, 2011

Line No.	Description	Actual	Budget	Actual vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 1,029,544,000	$ 1,140,477,000	$ (110,933,000)	(9.7%)	1
2	Operating Expenses:					2
3	Cost of Gas	508,375,000	607,104,000	(98,729,000)	(16.3%)	3
4	Other Operation and Maintenance	305,183,000	322,847,000	(17,664,000)	(5.5%)	4
5	Depreciation Expense	78,119,000	78,308,000	(189,000)	(0.2%)	5
6	Amortization of Other Limited Term Gas Plant	5,696,000	5,610,000	86,000	1.5%	6
7	Taxes Other Than Income	19,856,000	20,399,000	(543,000)	(2.7%)	7
8	Federal Income Taxes-Current	(9,979,000)	20,305,000	(30,284,000)	(149.1%)	8
9	State Income Taxes-Current	(3,490,000)	2,106,000	(5,596,000)	(265.7%)	9
10	Deferred Income Taxes	46,703,000	9,458,000	37,245,000	393.8%	10
11	Investment Tax Credit	(68,000)	207,000	(275,000)	(132.9%)	11
12	Total Operating Expenses	950,395,000	1,066,344,000	(115,949,000)	(10.9%)	12
13	Operating Income	79,149,000	74,133,000	5,016,000	6.8%	13
14	Income from Utility Plant Leased to Others	126,000	-	126,000	-	14
15	Utility Operating Income	79,275,000	74,133,000	5,142,000	6.9%	15
16	Other Income, Net of Income Deductions	399,000	(277,000)	676,000	(244.0%)	16
17	Income Before Interest Charges	79,674,000	73,856,000	5,818,000	7.9%	17
18	Interest Charges	23,069,000	26,828,000	(3,759,000)	(14.0%)	18
19	Net Income	$ 56,605,000	$ 47,028,000	$ 9,577,000	20.4%	19

The Peoples Gas Light and Coke Company

Statement from the Independent Certified Public Accountant

Deloitte.

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INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors
The Peoples Gas Light and Coke Company

We have examined the accompanying forecasted balance sheet, statements of income, retained earnings, and cash flows of The Peoples Gas Light and Coke Company (the "Company") as of December 31, 2013, and for the year then ending. The Company's management is responsible for the forecast. Our responsibility is to express an opinion on the forecast based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included such procedures as we considered necessary to evaluate both the assumptions used by management and the preparation and presentation of the forecast. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the accompanying forecast is presented in conformity with the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants, and the underlying assumptions provide a reasonable basis for management's forecast. However, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

This report is intended solely for the information and use of the Board of Directors and management of the Company for filing with the Illinois Commerce Commission in connection with the Company's proposed general increase in rates and is not intended and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

July 30, 2012

THE PEOPLES GAS LIGHT AND COKE COMPANY

FORECASTED STATEMENT OF INCOME (Millions)	Year Ended December 31, 2013
Natural gas operating revenues	**$1,088.3**
Operating expenses	
Natural gas purchased for resale	**473.1**
Operating and maintenance expense	**400.2**
Depreciation and amortization expense	**96.4**
Taxes other than income taxes	**18.9**
Operating income	**99.7**
Miscellaneous income	**2.5**
Interest expense	**(30.2)**
Other expense	**(27.7)**
Income before taxes	**72.0**
Provision for income taxes	**30.3**
Net Income	**$41.7**

The accompanying Summary of Significant Accounting Policies and Assumptions are an integral part of these statements.

THE PEOPLES GAS LIGHT AND COKE COMPANY

FORECASTED BALANCE SHEET (Millions)	December 31, 2013
Assets	
Accounts receivable and accrued unbilled revenues, net of reserves of $32.6	**$217.1**
Receivables from related parties	**0.6**
Natural gas in storage, at LIFO	**83.2**
Regulatory assets	**33.3**
Other current assets	**29.5**
Current assets	**363.7**
Property, plant, and equipment, net of accumulated depreciation of $1,134.6	**2,356.9**
Regulatory assets	**818.0**
Investments in subsidiaries	**4.8**
Other long-term assets	**7.5**
Total assets	**$3,550.9**
Liabilities and Shareholder's Equity	
Short-term debt	**$217.4**
Accounts payable	**118.2**
Payables to related parties	**21.1**
Accrued taxes	**49.0**
Customer deposits	**27.5**
Customer credit balances	**35.6**
Regulatory liabilities	**12.8**
Other current liabilities	**18.5**
Current liabilities	**500.1**
Long-term debt	**704.5**
Deferred income taxes	**563.9**
Deferred investment tax credits	**22.4**
Environmental remediation liabilities	**370.7**
Pension and other postretirement benefit obligations	**259.6**
Asset retirement obligations	**393.5**
Other long-term liabilities	**50.4**
Long-term liabilities	**2,365.0**
Commitments and contingencies	
Common stock	**219.8**
Additional paid-in capital	**(0.1)**
Retained earnings	**465.7**
Accumulated other comprehensive loss	**0.4**
Total liabilities and shareholder's equity	**$3,550.9**

The accompanying Summary of Significant Accounting Policies and Assumptions are an integral part of these statemen

THE PEOPLES GAS LIGHT AND COKE COMPANY

FORECASTED STATEMENT OF CASH FLOWS (Millions)	**Year Ended December 31, 2013**
Operating Activities:	
Net Income	**$41.7**
Adjustments to reconcile net income to cash provided by (used in) operations:	
Depreciation and amortization expense	**96.4**
Bad debt expense	**28.5**
Deferred income taxes and investment tax credits- net	**32.1**
Pension and postretirement expense	**33.8**
Pension and postretirement funding	**(10.1)**
Recoveries and refunds of other regulatory assets and liabilities	**50.7**
Other, net	**(2.7)**
Net changes in working capital	**(48.6)**
Net cash provided by operating activities	**221.8**
Investing Activities:	
Capital Expenditures	**(342.9)**
Net cash used for investing activities	**(342.9)**
Financing Activities:	
Issuance of long-term debt	**200.0**
Redemption of long-term debt	**(120.0)**
Net increase in short-term debt	**86.8**
Dividends paid to parent	**(44.0)**
Other	**(1.7)**
Net cash provided by financing activities	**121.1**
Net increase in cash and cash equivalents	**-**
Cash and cash equivalents at beginning of year	**-**
Cash and cash equivalents at end of year	**$ -**

The accompanying Summary of Significant Accounting Policies and Assumptions are an integral part of these statements.

THE PEOPLES GAS LIGHT AND COKE COMPANY

FORECASTED STATEMENT OF RETAINED EARNINGS (Millions)	December 31, 2013
Account 21600 Unappropriated Retained Earnings	
Balance at beginning of year	**$466.3**
Add:	
Net Income	**41.7**
Less:	
Common stock dividends declared	**44.0**
Balance at end of year	**$464.0**
Account 21610 Unappropriated Undistributed Subsidiary Earnings	
Balance at beginning of year	**$1.7**
Add:	
Net Income	**-**
Less:	
Common stock dividends declared	**-**
Balance at end of year	**$1.7**

The accompanying Summary of Significant Accounting Policies and Assumptions are an integral part of these statements.

The Peoples Gas Light and Coke Company

Summary of Significant Accounting Policies and Assumptions

Used in the Forecast For the Year Ending December 31, 2013

PRESENTATION BASIS

The financial forecast has been prepared by The Peoples Gas Light and Coke Company ("the Company" or "PGL") and presented in accordance with the guidelines established in the March 1, 2009 AICPA Guide for Prospective Financial Information. This financial forecast presents, to the best of management's knowledge and belief, the Company's expected financial position, results of operations, retained earnings and cash flows for the forecast period. Accordingly, the forecast reflects its judgment as of December 15, 2011, the date of this forecast, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparing the forecast are below and are the same as in the Company's audited financial statements.

I. Nature of Operations

PGL is a regulated natural gas utility company that purchases, stores, distributes, sells, and transports natural gas to customers in Chicago. PGL is subject to the jurisdiction of, and regulation by, the Illinois Commerce Commission ("ICC"), which has general supervisory and regulatory powers over public utilities in Illinois, and the FERC, which regulates the interstate services PGL provides. The term "utility" refers to PGL's regulated activities.

As used in these notes, the term "financial statements" refers to the statement of income, balance sheet, and statement of cash flow, unless otherwise noted.

II. Use of Estimates

PGL prepares its financial statements in conformity with accounting principles generally accepted in the United States of America. PGL makes estimates and assumptions that affect assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

III. Cash and Cash Equivalents

Short-term investments with an original maturity of three months or less are reported as cash equivalents.

IV. Revenues and Customer Receivables

Revenues related to the sale of natural gas are recognized when service is provided or natural gas is delivered to customers and include estimated amounts for services provided but not billed. PGL presents revenues net of pass-through taxes on the income statements.

PGL has various rate-adjustment mechanisms in place that currently provide for the recovery of prudently incurred natural gas costs, which allow subsequent adjustments to rates for changes in commodity costs. Other mechanisms also allow recovery for environmental costs, bad debts, and energy conservation and management programs. A summary of significant rate-adjustment mechanisms follows:

- PGL rates include a one-for-one recovery mechanism for natural gas commodity costs.
- PGL rates include riders for cost recovery of both environmental cleanup and energy conservation and management program costs.
- PGL rates include a rider for cost recovery or refund of bad debts based on the difference between actual bad debt costs and the amount recovered in rates.
- PGL rates include a decoupling mechanism, which allows PGL to adjust its rates going forward to recover or refund the differences between the actual and authorized margin. . However, the Illinois Attorney General has appealed the ICC's approval of decoupling and filed a motion to stay the implementation of the permanent decoupling mechanism or make collections subject to refund. On May 16, 2012, the ICC issued a revised amendatory order granting the Illinois Attorney General's motion to make revenues collected under the permanent decoupling mechanism subject to refund. Refunds would be required if the Illinois Appellate Court finds that the ICC did not have the authority to approve decoupling and the Court orders a refund. PGL still intends to file for rate recovery with the ICC for amounts recorded related to decoupling.

Revenues are also impacted by other accounting policies related to PGL's natural gas hub. Amounts collected from wholesale customers that use PGL's natural gas hub are credited to natural gas costs, resulting in a reduction to retail customers' charges for natural gas and services.

V. Natural Gas in Storage

PGL prices storage injections at the calendar year average of the costs of natural gas supply purchased. Withdrawals from storage are priced on the LIFO cost method.

VI. Risk Management Activities

As part of PGL's regular operations, PGL enters into contracts, including options, forwards, and swaps, to manage changes in commodity prices.

All derivatives are recognized on the balance sheets at their fair value unless they are designated as and qualify for the normal purchases and sales exception. PGL continually assesses its contracts designated as normal and will discontinue the treatment of these contracts as normal if the required criteria are no longer met. PGL's tariffs allow for full recovery from its customers of prudently incurred natural gas supply costs, including gains or losses on these derivative instruments. These derivatives are marked to fair value; the resulting risk management assets are offset with regulatory liabilities or decreases to regulatory assets, and risk management liabilities are offset with regulatory assets or decreases to regulatory liabilities. Management believes any gains or losses resulting from the eventual settlement of these derivative instruments will be refunded to or collected from customers in rates.

PGL has risk management contracts with various counterparties. PGL monitors credit exposure levels and the financial condition of its counterparties on a continuous basis to minimize credit risk.

VII. Property, Plant, and Equipment

Utility plant is stated at cost, including any associated allowance for funds used during construction and asset retirement costs. The costs of renewals and betterments of units of property (as distinguished from minor items of property) are capitalized as additions to the utility plant accounts. Except for land, no gains or losses are recognized in connection with ordinary retirements of utility property units. PGL charges the cost of units of property retired, sold, or otherwise disposed of, less salvage value, to accumulated depreciation. In addition, PGL records a regulatory liability for cost of removal accruals, which are included in rates. Actual removal costs are charged against the regulatory liability as incurred. Maintenance, repair, replacement, and renewal costs associated with items not qualifying as units of property are considered operating expenses.

PGL records straight-line depreciation expense over the estimated useful life of utility property, using depreciation rates as approved by the Illinois Commerce Commission (ICC).

PGL capitalizes certain costs related to software developed or obtained for internal use and amortizes those costs to operating expense over the estimated useful life of the related software, which ranges from 3 to 15 years. If software is retired prior to being fully amortized, the difference is recorded as a loss on the income statements. The provision for depreciation and amortization, expressed as an annual percentage of the original cost of depreciable property, is 3.3% for calendar year 2013.

VIII. Regulatory Assets and Liabilities

Regulatory assets represent probable future revenue associated with certain costs or liabilities that have been deferred and are expected to be recovered from customers through the ratemaking process. Regulatory liabilities represent amounts that are expected to be refunded to customers in future rates or amounts collected in rates for future costs. If at any reporting date a previously recorded regulatory asset is no longer probable of recovery, the regulatory asset is reduced to the amount considered probable of recovery with the reduction charged to expense in the year the determination is made.

IX. Retirement of Debt

Any call premiums or unamortized expenses associated with refinancing utility debt obligations are amortized consistent with regulatory treatment of those items. Any gains or losses resulting from the retirement of utility debt that is not refinanced are amortized over the remaining life of the original debt consistent with regulatory treatment.

X. Asset Retirement Obligations

PGL recognizes at fair value legal obligations associated with the retirement of tangible long-lived assets that result from the acquisition, construction or development, and/or normal operation of the assets. A liability is recorded for these obligations as long as the fair value can be reasonably estimated, even if the timing or method of settling the obligation is unknown. The asset retirement obligations are accreted using a credit-adjusted risk-free interest rate commensurate with the expected settlement dates of the asset retirement obligations; this rate is determined at the date the obligation is incurred. The associated retirement costs are capitalized as part of the related long-lived assets and are depreciated over the useful lives of the assets. Subsequent changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease in the carrying amount of the liability and the associated retirement cost.

XI. Income Taxes

PGL is included in the consolidated United States income tax return filed by Integrys Energy Group. PGL is party to a federal and state tax allocation arrangement with Integrys Energy Group and its subsidiaries under which each entity determines its provision for income taxes on a stand-alone basis. PGL settles the intercompany liabilities at the time that payments are made to the applicable taxing authority.

Deferred income taxes have been recorded to recognize the expected future tax consequences of events that have been included in the financial statements by using currently enacted tax rates for the differences between the income tax basis of assets and liabilities and the basis reported in the financial statements. PGL records valuation allowances for deferred income tax assets when it is uncertain if the benefit will be realized in the future. PGL defers certain adjustments made to income taxes that will impact future rates and records regulatory assets or liabilities related to these adjustments.

PGL uses the deferral method of accounting for investment tax credits (ITCs). Under this method, PGL records the ITCs as deferred credits and amortizes such credits as a reduction to the provision for income taxes over the life of the asset that generated the ITCs. Investment tax credits that do not reduce income taxes payable for the current year are eligible for carryover and recognized as a deferred income tax asset. A valuation allowance is established unless it is more likely than not that the credits will be realized during the carryforward period.

PGL reports interest and penalties accrued related to income taxes as a component of provision for income taxes in the income statements.

XII. Employee Benefits

The costs of pension and other postretirement benefits are expensed over the period during which employees render service. Effective with new rates implemented in 2010, PGL reflects pension and other postretirement benefit costs in rates using Integrys Energy Group's basis in the related plan assets and obligations and method of determining these costs, which Integrys Energy Group established at the time of the February 2007 Peoples Energy, LLC (PELLC) merger. In addition, the cumulative difference between PGL's accounting basis and the accounting basis of Integrys Energy Group in PGL's pension and postretirement benefit obligations is amortized as a component of PGL's rates over the average remaining service lives of the participating employees. In computing the expected return on pension plan assets, a market-related value of plan assets is used that recognizes differences between actual investment returns and the expected return on plan assets over the subsequent five years. PGL's regulators allow recovery in rates for the net periodic benefit cost calculated under GAAP.

PGL recognizes the funded status of defined benefit postretirement plans on the balance sheet, and recognizes changes in the plans' funded status in the year in which the changes occur. PGL records changes in the funded status to regulatory asset or liability accounts, pursuant to the Regulated Operations Topic of the FASB ASC.

PGL accounts for its participation in benefit plans sponsored by Integrys Business Support, LLC (IBS) and PELLC as multiple employer plans. Under affiliate agreements, PGL is responsible for its share of plan costs and obligations and is entitled to its share of plan assets; accordingly, PGL accounts for its pro rata share of the IBS and PELLC plans as its own plans.

XIII. Fair Value

A fair value measurement is required to reflect the assumptions market participants would use in pricing an asset or liability based on the best available information. These assumptions include the risks inherent in a particular valuation technique (such as a pricing model) and the risks inherent in the inputs to the model. Transaction costs should not be considered in the determination of fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). PGL uses a mid-market pricing convention (the mid-point price between bid and ask prices) as a practical measure for valuing the majority of its derivative assets and liabilities.

Fair value accounting rules provide a hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are observable, either directly or indirectly, but are not quoted prices included within Level 1. Level 2 includes those financial instruments that are valued using external inputs within models or other valuation methodologies.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

PGL determines fair value using a market-based approach that uses observable market inputs where available, and internally developed inputs where observable market data is not readily available. For the unobservable inputs, consideration is given to the assumptions that market participants would use in valuing the asset or liability. These factors include not only the credit standing of the counterparties involved, but also the impact of PGL’s nonperformance risk on its liabilities.

SUMMARY OF SIGNIFICANT ASSUMPTIONS/ITEMS

I. Operating Revenues

1. Forecasted revenues were primarily determined by applying the Company’s current rates and rate structure to forecasted deliveries of gas to customers, plus the forecasted cost of gas delivered, environmental recovery charges, Energy Efficiency and On-Bill Financing Adjustment charges, the Volume Balancing Adjustment and other miscellaneous charges.

2. Forecasted deliveries, including changes due to customer growth and conservation, were determined using internally developed models that consider various factors, including historical, trend and regression analysis. The models also consider economic and market variables.

3. Forecasted deliveries assumed 6,093 normal heating degree-days. This represents the average of actual weather at O'Hare International Airport for the 12-year period from 1999 through 2010 adjusted for the leap year.

4. Based on the above volume assumptions, forecasted deliveries to customers are 165.3 Bcf, including 97.5 Bcf delivered to sales customers and 67.8 Bcf delivered to transportation customers.

5. Revenues not associated with delivery volumes were determined primarily from historical factors or the number of customers. Revenues for large customers with special contracts were based on a combination of historical and projected data.

6. Late payment charges were forecasted to be $6.4 million. This estimate reflects ninety percent of the 2011 actual late payment charges due to the decrease in gas costs in the test year.

7. Revenue attributable to the recovery of environmental clean-up costs (Rider 11 revenue) is forecast at $39.3 million. There is a corresponding charge to expense, and thus these revenues have no direct impact on forecasted income.

8. Revenue attributable to the Energy Efficiency and On-Bill Financing Adjustment (Rider EOA) is forecast at $22.2 million. There is a corresponding charge to expense, and thus these revenues have no direct impact on forecasted income.

9. Refunds attributable to the Volume Balancing Adjustment (Rider VBA) are forecast at $3.0 million based on higher 2013 forecasted distribution charge revenue derived from S. C. No. 1 and S. C. No 2 compared to the Rider VBA Rate Case Revenue ordered in Docket No. 11-0281.

10. There are no significant changes to the customer base.

II. <u>Cost of Gas</u>

1. The cost of gas purchased for sales to customers is passed on directly to customers without mark-up. Therefore, while a change in the forecast of gas costs may have a significant effect on revenue and the cost of gas, it would not have a significant impact on the Company's forecast of income. Indirectly, changes in the cost of gas impacts customer delivered volumes and the forecast of other costs.

2. The forecasted cost of gas purchased for sales to customers includes natural gas commodity costs and non-commodity costs, along with changes in inventory and adjustments for prior and forecasted over/under collections of gas costs from customers. At the end of 2013, the forecasted under collection from customers is $0.8 million. This is based on forecasted monthly differences between actual gas costs and billed gas costs due in part to timing differences amortized over a 12 month period.

3. Non-commodity costs, primarily pipeline transportation and storage demand charges, were generally based on contractual volumes and rates in place at December 15, 2011. No material changes are expected in these contracts for the forecast period.

4. Forecasted commodity costs were based on the product of forecasted purchase volumes and forecasted gas purchase costs.

5. Forecasted purchase volumes include lost and unaccounted-for gas. The Company forecasted an unaccounted-for loss rate of 3.1% of forecasted retail deliveries, which is consistent with the actual loss rate experienced in recent years.

6. Forecasted gas purchase costs were determined by applying the forward NYMEX gas price as of December 15, 2011 ($4.01 per MMBtu, unweighted), adjusted for applicable basis differentials and existing hedge positions in place.

7. Hub revenues, which reduce gas costs, were forecasted at $3.4 million based on available storage capacity and management's expectations regarding specific contract renewals.

III. <u>Operations and Maintenance Costs</u>

A. Labor

1. The number of employees is projected to remain constant in calendar year 2013 at 1,357 compared to the forecast for the end of calendar year 2012. Actual headcount at December 31, 2011 was 1,162.

2. Union employee wage increases were based on existing union contracts. The contract stipulates a 3.25% increase in May 2012. The Company assumed a similar increase would occur in May, 2013. An increase of 0.55% was also included for progressions in both years.

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The provision for bad debt recorded in Account 904 was forecast at 2.54% of revenue. This rate is consistent with prior experience. In 2013, PGL will switch to the net-write-off method which was approved as part of the final Order in ICC Docket Nos. 11-0280/11-0281 Cons. Under this method, the difference between what is calculated for Account 904 and write-offs will be deferred as a regulatory asset and/or liability. Amounts deferred will be recovered from or refunded to customers through the bad debt tracker mechanism (Rider UEA).

C. Pension and Post Retirement Expense

Pension and post retirement expense was developed with the assistance of the Company's actuaries. The census data used was as of January 1, 2011. The discount rate assumption for pension expense was forecast at 5.10%, which was the discount rate at December 31, 2011. The discount rate assumption for post retirement expense was forecast at 4.80%, which was the discount rate at December 31, 2011. The forecast used the market-related value of plan assets at December 31, 2011 and assumes PGL will contribute $86.3 million to its other postretirement plan and $0.4 million to its pension plan during 2012. The forecast assumes PGL will contribute $9.8 million to its other postretirement plan and $0.3 million to its pension plan during 2013.

D. Environmental Costs

Costs related to the investigation and removal of manufactured gas residues are initially recorded in a regulatory asset account. Expenditures related to the remediation of environmental obligations reflected in the forecasted statements are $42.3 million and $32.1 million for 2012 and 2013. PGL has a recovery mechanism in place (Rider 11) that provides for dollar for dollar recovery of the expenditures. Revenue attributable to the recovery of environmental clean-up costs (Rider 11 revenue) is forecast at $39.3 million. There is a corresponding charge to expense, and thus these revenues have no direct impact on forecasted income. Liabilities were developed based on engineering cost estimates and probable outcomes, and were based on the review and judgment by the Company's management and outside consultants. The forecast assumes no changes in the liability estimate in 2012 or 2013 except of the reduction in the liability driven by expenditures for remediation.

E. Energy Efficiency and On-Bill Financing Costs

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Various services are performed by affiliates of PGL and those costs are billed to PGL on a monthly basis. These costs are billed to and paid by the Company in accordance with the Master Regulated Affiliated Interest Agreement approved by the Illinois Commerce Commission in Docket No. 07-0361 and any subsequent updates to the Agreement.

G. Other Costs

The Company forecasted operating and maintenance costs through a detailed bottoms-up budgeting process. Unless specifically determined otherwise, this process assumed, as a default, a 2.1% and 2.2% annual rate of inflation for 2012 and 2013 respectively. The cost of natural gas purchased for the Company's internal use was forecasted in a similar manner as natural gas purchased for sales to customers.

IV. <u>Depreciation</u>

The provision for depreciation and amortization, expressed as an annual percentage of the original cost of depreciable property, is 3.3% for calendar year 2013. Depreciation expense in calendar year 2013 is based on the average estimated life of depreciable property. Estimated lives were based on the depreciation study approved by the Illinois Commerce Commission in 2010, which includes recovery of cost of removal.

V. <u>Income Taxes</u>

1. Income taxes were forecast by applying the current federal and state statutory income tax rates of 35% and 9.5%, respectively, to forecasted pre-tax income, after adjusting for forecasted permanent items. See 2 below for deferred tax component.

2. The deferred tax provision for originating differences is based on current federal and state statutory rates from 1 above. The Deferred tax provision for reversing temporary differences is based on the average rate assumption method.

3. There is currently no forecasted net operating loss ("NOL") deferred income tax asset. This results from the assumption that while PGL may be generating

taxable losses, the consolidated group is assumed to be able to use those losses. Under the Companies tax sharing agreement, PGL will be paid cash for the tax benefit of its loss, if any, generated on a standalone basis, and used to reduce consolidated tax obligations. PGL will therefore not have a deferred income tax asset for the NOL. This assumption will be monitored / updated at each step in the case.

VI. Long-Term Debt

The forecast includes the issuance of $100 million in long-term debt on November 1, 2012 at an annual interest rate of 4.05% and the issuance of $200 million of long-term debt on September 1, 2013 at 4.95%. Both of the new issuances include debt issuance costs of 65 basis points plus $400,000 amortized over 10 years. The forecasted rates were estimated using the 10-Year Treasury rate forecasted for the quarter of issuance, rounded to the nearest 5 basis points plus a basis point spread of 110. The Treasury forecasted rates were per Moody's Analytics DataBuffet.com March 13, 2012 forecast.

VII. Interest Income and Expense

1. Interest expense includes a) interest on long-term debt, b) amortization of debt issuance costs and losses on reacquired debt, c) interest and fees associated with short-term borrowings and lines of credit, and d) interest expense related to customer deposits, budget plan customers, employee deferred compensation balances, and over-collected gas costs.

2. For fixed rate long-term debt, interest expense was forecast by applying the stated interest rate to the principal amount of each series of currently outstanding first-mortgage bonds. For forecasted issuances in 2011 and 2012, the forecasted interest rate was applied to the forecasted principal amount of the issuance. Debt amortizations are initially calculated over the life of the debt issue. If debt is reacquired and not refinanced debt expense amortization continues over the original life. For refinanced debt issues any unamortized amounts are subsequently amortized over the life of the new debt issue.

3. For variable rate short-term debt, interest expense was forecasted at an average of 1.50% for 2013. Short-term debt interest rates range from 0.71% in January to 0.96% in December and average 0.82% based on the Moody's Analytics DataBuffet.com forecast for 1 month non-financial commercial paper as of March 13, 2012. Short-term debt expense also includes bank fees associated with lines of credit. These fees add an additional 0.68% to the cost of short-term debt in 2013.

VIII. Dividends

Dividend declarations are forecasted at approximately 105% of calendar 2013 net income.

IX. Capital Expenditures

Capital expenditures, as of March 1, 2012, are forecasted as follows for calendar 2012 and 2013 ($ in millions):

	2012	2013
Distribution system	$220.7	$286.5
Underground storage	31.9	26.9
Information technology	1.2	0.4
Transportation	9.8	14.2
Other	15.1	14.9
Total	$278.7	$342.9

Approximately $220.8M of the Distribution system expenditures in 2013 relates to the Accelerated Cast Iron Replacement program.

The Peoples Gas Light and Coke Company

Statement on Assumptions Used in the Forecast

a) The forecast for the test year contains the same assumptions and methodologies used in forecasts that are prepared for management or other entities such as the Securities and Exchange Commission, security rating companies and agencies, underwriters, and investors, except as described in c) below.

b) There are no differences in assumptions or methodologies used in the forecast of the test year and in forecasts prepared for management or other entities, except as described in c) below.

c) The test year forecast reflects our judgment, as of December 15, 2011 based on present circumstances of the expected conditions and our expected course of action assuming : (a) current tariffed rates remain in effect through December 31, 2013 and (b) forecasted natural gas commodity prices reflect the average of the New York Mercantile Exchange ("NYMEX") futures prices for 2013 for the thirty day period ended December 15, 2011; and (c) updated non-labor inflation rates and (d) updated headcount numbers in order to improve compliance with federal and state pipeline safety regulations and the Accelerated Main Replacement Program ("AMRP") and (e) revised capital spending related to AMRP.

The Peoples Gas Light and Coke Company

Statement on Accounting Treatment

a) The accounting treatment applied to anticipated events and transactions in the forecast is the same as the accounting treatment to be applied in recording the events once they have occurred.

b) There are no differences between the accounting treatment applied to anticipated events and transactions in the forecast forming the basis of the test year and the accounting treatment to be applied in recording the event once it has occurred.

The Peoples Gas Light and Coke Company

Summary of Significant Accounting Policies and Assumptions

Used in the Forecast For the Year Ending December 31, 2013

PRESENTATION BASIS

The financial forecast has been prepared by The Peoples Gas Light and Coke Company ("the Company" or "PGL") and presented in accordance with the guidelines established in the March 1, 2009 AICPA Guide for Prospective Financial Information. This financial forecast presents, to the best of management's knowledge and belief, the Company's expected financial position, results of operations, retained earnings and cash flows for the forecast period. Accordingly, the forecast reflects its judgment as of December 15, 2011, the date of this forecast, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparing the forecast are below and are the same as in the Company's audited financial statements.

I. Nature of Operations

PGL is a regulated natural gas utility company that purchases, stores, distributes, sells, and transports natural gas to customers in Chicago. PGL is subject to the jurisdiction of, and regulation by, the Illinois Commerce Commission ("ICC"), which has general supervisory and regulatory powers over public utilities in Illinois, and the FERC, which regulates the interstate services PGL provides. The term "utility" refers to PGL's regulated activities.

As used in these notes, the term "financial statements" refers to the statement of income, balance sheet, and statement of cash flow, unless otherwise noted.

II. Use of Estimates

PGL prepares its financial statements in conformity with accounting principles generally accepted in the United States of America. PGL makes estimates and assumptions that affect assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

III. Cash and Cash Equivalents

Short-term investments with an original maturity of three months or less are reported as cash equivalents.

IV. Revenues and Customer Receivables

Revenues related to the sale of natural gas are recognized when service is provided or natural gas is delivered to customers and include estimated amounts for services provided but not billed. PGL presents revenues net of pass-through taxes on the income statements.

PGL has various rate-adjustment mechanisms in place that currently provide for the recovery of prudently incurred natural gas costs, which allow subsequent adjustments to rates for changes in commodity costs. Other mechanisms also allow recovery for environmental costs, bad debts, and energy conservation and management programs. A summary of significant rate-adjustment mechanisms follows:

- PGL rates include a one-for-one recovery mechanism for natural gas commodity costs.
- PGL rates include riders for cost recovery of both environmental cleanup and energy conservation and management program costs.
- PGL rates include a rider for cost recovery or refund of bad debts based on the difference between actual bad debt costs and the amount recovered in rates.
- PGL rates include a decoupling mechanism, which allows PGL to adjust its rates going forward to recover or refund the differences between the actual and authorized margin. . However, the Illinois Attorney General has appealed the ICC's approval of decoupling and filed a motion to stay the implementation of the permanent decoupling mechanism or make collections subject to refund. On May 16, 2012, the ICC issued a revised amendatory order granting the Illinois Attorney General's motion to make revenues collected under the permanent decoupling mechanism subject to refund. Refunds would be required if the Illinois Appellate Court finds that the ICC did not have the authority to approve decoupling and the Court orders a refund. PGL still intends to file for rate recovery with the ICC for amounts recorded related to decoupling.

Revenues are also impacted by other accounting policies related to PGL’s natural gas hub. Amounts collected from wholesale customers that use PGL’s natural gas hub are credited to natural gas costs, resulting in a reduction to retail customers’ charges for natural gas and services.

V. Natural Gas in Storage

PGL prices storage injections at the calendar year average of the costs of natural gas supply purchased. Withdrawals from storage are priced on the LIFO cost method.

VI. Risk Management Activities

As part of PGL's regular operations, PGL enters into contracts, including options, forwards, and swaps, to manage changes in commodity prices.

All derivatives are recognized on the balance sheets at their fair value unless they are designated as and qualify for the normal purchases and sales exception. PGL continually assesses its contracts designated as normal and will discontinue the treatment of these contracts as normal if the required criteria are no longer met. PGL's tariffs allow for full recovery from its customers of prudently incurred natural gas supply costs, including gains or losses on these derivative instruments. These derivatives are marked to fair value; the resulting risk management assets are offset with regulatory liabilities or decreases to regulatory assets, and risk management liabilities are offset with regulatory assets or decreases to regulatory liabilities. Management believes any gains or losses resulting from the eventual settlement of these derivative instruments will be refunded to or collected from customers in rates.

PGL has risk management contracts with various counterparties. PGL monitors credit exposure levels and the financial condition of its counterparties on a continuous basis to minimize credit risk.

VII. Property, Plant, and Equipment

Utility plant is stated at cost, including any associated allowance for funds used during construction and asset retirement costs. The costs of renewals and betterments of units of property (as distinguished from minor items of property) are capitalized as additions to the utility plant accounts. Except for land, no gains or losses are recognized in connection with ordinary retirements of utility property units. PGL charges the cost of units of property retired, sold, or otherwise disposed of, less salvage value, to accumulated depreciation. In addition, PGL records a regulatory liability for cost of removal accruals, which are included in rates. Actual removal costs are charged against the regulatory liability as incurred. Maintenance, repair, replacement, and renewal costs associated with items not qualifying as units of property are considered operating expenses.

PGL records straight-line depreciation expense over the estimated useful life of utility property, using depreciation rates as approved by the Illinois Commerce Commission (ICC).

PGL capitalizes certain costs related to software developed or obtained for internal use and amortizes those costs to operating expense over the estimated useful life of the related software, which ranges from 3 to 15 years. If software is retired prior to being fully amortized, the difference is recorded as a loss on the income statements. The provision for depreciation and amortization, expressed as an annual percentage of the original cost of depreciable property, is 3.3% for calendar year 2013.

VIII. Regulatory Assets and Liabilities

Regulatory assets represent probable future revenue associated with certain costs or liabilities that have been deferred and are expected to be recovered from customers through the ratemaking process. Regulatory liabilities represent amounts that are expected to be refunded to customers in future rates or amounts collected in rates for future costs. If at any reporting date a previously recorded regulatory asset is no longer probable of recovery, the regulatory asset is reduced to the amount considered probable of recovery with the reduction charged to expense in the year the determination is made.

IX. Retirement of Debt

Any call premiums or unamortized expenses associated with refinancing utility debt obligations are amortized consistent with regulatory treatment of those items. Any gains or losses resulting from the retirement of utility debt that is not refinanced are amortized over the remaining life of the original debt consistent with regulatory treatment.

X. Asset Retirement Obligations

PGL recognizes at fair value legal obligations associated with the retirement of tangible long-lived assets that result from the acquisition, construction or development, and/or normal operation of the assets. A liability is recorded for these obligations as long as the fair value can be reasonably estimated, even if the timing or method of settling the obligation is unknown. The asset retirement obligations are accreted using a credit-adjusted risk-free interest rate commensurate with the expected settlement dates of the asset retirement obligations; this rate is determined at the date the obligation is incurred. The associated retirement costs are capitalized as part of the related long-lived assets and are depreciated over the useful lives of the assets. Subsequent changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease in the carrying amount of the liability and the associated retirement cost.

XI. Income Taxes

PGL is included in the consolidated United States income tax return filed by Integrys Energy Group. PGL is party to a federal and state tax allocation arrangement with Integrys Energy Group and its subsidiaries under which each entity determines its provision for income taxes on a stand-alone basis. PGL settles the intercompany liabilities at the time that payments are made to the applicable taxing authority.

Deferred income taxes have been recorded to recognize the expected future tax consequences of events that have been included in the financial statements by using currently enacted tax rates for the differences between the income tax basis of assets and liabilities and the basis reported in the financial statements. PGL records valuation allowances for deferred income tax assets when it is uncertain if the benefit will be realized in the future. PGL defers certain adjustments made to income taxes that will impact future rates and records regulatory assets or liabilities related to these adjustments.

PGL uses the deferral method of accounting for investment tax credits (ITCs). Under this method, PGL records the ITCs as deferred credits and amortizes such credits as a reduction to the provision for income taxes over the life of the asset that generated the ITCs. Investment tax credits that do not reduce income taxes payable for the current year are eligible for carryover and recognized as a deferred income tax asset. A valuation allowance is established unless it is more likely than not that the credits will be realized during the carryforward period.

PGL reports interest and penalties accrued related to income taxes as a component of provision for income taxes in the income statements.

XII. Employee Benefits

The costs of pension and other postretirement benefits are expensed over the period during which employees render service. Effective with new rates implemented in 2010, PGL reflects pension and other postretirement benefit costs in rates using Integrys Energy Group's basis in the related plan assets and obligations and method of determining these costs, which Integrys Energy Group established at the time of the February 2007 Peoples Energy, LLC (PELLC) merger. In addition, the cumulative difference between PGL's accounting basis and the accounting basis of Integrys Energy Group in PGL's pension and postretirement benefit obligations is amortized as a component of PGL's rates over the average remaining service lives of the participating employees. In computing the expected return on pension plan assets, a market-related value of plan assets is used that recognizes differences between actual investment returns and the expected return on plan assets over the subsequent five years. PGL's regulators allow recovery in rates for the net periodic benefit cost calculated under GAAP.

PGL recognizes the funded status of defined benefit postretirement plans on the balance sheet, and recognizes changes in the plans' funded status in the year in which the changes occur. PGL records changes in the funded status to regulatory asset or liability accounts, pursuant to the Regulated Operations Topic of the FASB ASC.

PGL accounts for its participation in benefit plans sponsored by Integrys Business Support, LLC (IBS) and PELLC as multiple employer plans. Under affiliate agreements, PGL is responsible for its share of plan costs and obligations and is entitled to its share of plan assets; accordingly, PGL accounts for its pro rata share of the IBS and PELLC plans as its own plans.

XIII. Fair Value

A fair value measurement is required to reflect the assumptions market participants would use in pricing an asset or liability based on the best available information. These assumptions include the risks inherent in a particular valuation technique (such as a pricing model) and the risks inherent in the inputs to the model. Transaction costs should not be considered in the determination of fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). PGL uses a mid-market pricing convention (the mid-point price between bid and ask prices) as a practical measure for valuing the majority of its derivative assets and liabilities.

Fair value accounting rules provide a hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are observable, either directly or indirectly, but are not quoted prices included within Level 1. Level 2 includes those financial instruments that are valued using external inputs within models or other valuation methodologies.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

PGL determines fair value using a market-based approach that uses observable market inputs where available, and internally developed inputs where observable market data is not readily available. For the unobservable inputs, consideration is given to the assumptions that market participants would use in valuing the asset or liability. These factors include not only the credit standing of the counterparties involved, but also the impact of PGL's nonperformance risk on its liabilities.

SUMMARY OF SIGNIFICANT ASSUMPTIONS/ITEMS

I. Operating Revenues

1. Forecasted revenues were primarily determined by applying the Company's current rates and rate structure to forecasted deliveries of gas to customers, plus the forecasted cost of gas delivered, environmental recovery charges, Energy Efficiency and On-Bill Financing Adjustment charges, the Volume Balancing Adjustment and other miscellaneous charges.

2. Forecasted deliveries, including changes due to customer growth and conservation, were determined using internally developed models that consider various factors, including historical, trend and regression analysis. The models also consider economic and market variables.

3. Forecasted deliveries assumed 6,093 normal heating degree-days. This represents the average of actual weather at O'Hare International Airport for the 12-year period from 1999 through 2010 adjusted for the leap year.

4. Based on the above volume assumptions, forecasted deliveries to customers are 165.3 Bcf, including 97.5 Bcf delivered to sales customers and 67.8 Bcf delivered to transportation customers.

5. Revenues not associated with delivery volumes were determined primarily from historical factors or the number of customers. Revenues for large customers with special contracts were based on a combination of historical and projected data.

6. Late payment charges were forecasted to be $6.4 million. This estimate reflects ninety percent of the 2011 actual late payment charges due to the decrease in gas costs in the test year.

7. Revenue attributable to the recovery of environmental clean-up costs (Rider 11 revenue) is forecast at $39.3 million. There is a corresponding charge to expense, and thus these revenues have no direct impact on forecasted income.

8. Revenue attributable to the Energy Efficiency and On-Bill Financing Adjustment (Rider EOA) is forecast at $22.2 million. There is a corresponding charge to expense, and thus these revenues have no direct impact on forecasted income.

9. Refunds attributable to the Volume Balancing Adjustment (Rider VBA) are forecast at $3.0 million based on higher 2013 forecasted distribution charge revenue derived from S. C. No. 1 and S. C. No 2 compared to the Rider VBA Rate Case Revenue ordered in Docket No. 11-0281.

10. There are no significant changes to the customer base.

II. <u>Cost of Gas</u>

1. The cost of gas purchased for sales to customers is passed on directly to customers without mark-up. Therefore, while a change in the forecast of gas costs may have a significant effect on revenue and the cost of gas, it would not have a significant impact on the Company's forecast of income. Indirectly, changes in the cost of gas impacts customer delivered volumes and the forecast of other costs.

2. The forecasted cost of gas purchased for sales to customers includes natural gas commodity costs and non-commodity costs, along with changes in inventory and adjustments for prior and forecasted over/under collections of gas costs from customers. At the end of 2013, the forecasted under collection from customers is $0.8 million. This is based on forecasted monthly differences between actual gas costs and billed gas costs due in part to timing differences amortized over a 12 month period.

3. Non-commodity costs, primarily pipeline transportation and storage demand charges, were generally based on contractual volumes and rates in place at December 15, 2011. No material changes are expected in these contracts for the forecast period.

4. Forecasted commodity costs were based on the product of forecasted purchase volumes and forecasted gas purchase costs.

5. Forecasted purchase volumes include lost and unaccounted-for gas. The Company forecasted an unaccounted-for loss rate of 3.1% of forecasted retail deliveries, which is consistent with the actual loss rate experienced in recent years.

6. Forecasted gas purchase costs were determined by applying the forward NYMEX gas price as of December 15, 2011 ($4.01 per MMBtu, unweighted), adjusted for applicable basis differentials and existing hedge positions in place.

7. Hub revenues, which reduce gas costs, were forecasted at $3.4 million based on available storage capacity and management's expectations regarding specific contract renewals.

III. <u>Operations and Maintenance Costs</u>

A. Labor

1. The number of employees is projected to remain constant in calendar year 2013 at 1,357 compared to the forecast for the end of calendar year 2012. Actual headcount at December 31, 2011 was 1,162.

2. Union employee wage increases were based on existing union contracts. The contract stipulates a 3.25% increase in May 2012. The Company assumed a similar increase would occur in May, 2013. An increase of 0.55% was also included for progressions in both years.

3. Non-union wages were forecast to increase 3.85% in calendar 2012 and 2013.

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G. Other Costs

The Company forecasted operating and maintenance costs through a detailed bottoms-up budgeting process. Unless specifically determined otherwise, this process assumed, as a default, a 2.1% and 2.2% annual rate of inflation for 2012 and 2013 respectively. The cost of natural gas purchased for the Company's internal use was forecasted in a similar manner as natural gas purchased for sales to customers.

IV. <u>Depreciation</u>

The provision for depreciation and amortization, expressed as an annual percentage of the original cost of depreciable property, is 3.3% for calendar year 2013. Depreciation expense in calendar year 2013 is based on the average estimated life of depreciable property. Estimated lives were based on the depreciation study approved by the Illinois Commerce Commission in 2010, which includes recovery of cost of removal.

V. <u>Income Taxes</u>

1. Income taxes were forecast by applying the current federal and state statutory income tax rates of 35% and 9.5%, respectively, to forecasted pre-tax income, after adjusting for forecasted permanent items. See 2 below for deferred tax component.

2. The deferred tax provision for originating differences is based on current federal and state statutory rates from 1 above. The Deferred tax provision for reversing temporary differences is based on the average rate assumption method.

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taxable losses, the consolidated group is assumed to be able to use those losses. Under the Companies tax sharing agreement, PGL will be paid cash for the tax benefit of its loss, if any, generated on a standalone basis, and used to reduce consolidated tax obligations. PGL will therefore not have a deferred income tax asset for the NOL. This assumption will be monitored / updated at each step in the case.

VI. Long-Term Debt

The forecast includes the issuance of $100 million in long-term debt on November 1, 2012 at an annual interest rate of 4.05% and the issuance of $200 million of long-term debt on September 1, 2013 at 4.95%. Both of the new issuances include debt issuance costs of 65 basis points plus $400,000 amortized over 10 years. The forecasted rates were estimated using the 10-Year Treasury rate forecasted for the quarter of issuance, rounded to the nearest 5 basis points plus a basis point spread of 110. The Treasury forecasted rates were per Moody's Analytics DataBuffet.com March 13, 2012 forecast.

VII. Interest Income and Expense

1. Interest expense includes a) interest on long-term debt, b) amortization of debt issuance costs and losses on reacquired debt, c) interest and fees associated with short-term borrowings and lines of credit, and d) interest expense related to customer deposits, budget plan customers, employee deferred compensation balances, and over-collected gas costs.

2. For fixed rate long-term debt, interest expense was forecast by applying the stated interest rate to the principal amount of each series of currently outstanding first-mortgage bonds. For forecasted issuances in 2011 and 2012, the forecasted interest rate was applied to the forecasted principal amount of the issuance. Debt amortizations are initially calculated over the life of the debt issue. If debt is reacquired and not refinanced debt expense amortization continues over the original life. For refinanced debt issues any unamortized amounts are subsequently amortized over the life of the new debt issue.

3. For variable rate short-term debt, interest expense was forecasted at an average of 1.50% for 2013. Short-term debt interest rates range from 0.71% in January to 0.96% in December and average 0.82% based on the Moody's Analytics DataBuffet.com forecast for 1 month non-financial commercial paper as of March 13, 2012. Short-term debt expense also includes bank fees associated with lines of credit. These fees add an additional 0.68% to the cost of short-term debt in 2013.

VIII. Dividends

Dividend declarations are forecasted at approximately 105% of calendar 2013 net income.

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Approximately $220.8M of the Distribution system expenditures in 2013 relates to the Accelerated Cast Iron Replacement program.

The Peoples Gas Light and Coke Company

Inflation

Line No.	Description	Base Dollars	Inflation Factor	Inflation Amount	Line No.
	[A]	[B]	[C]	[D] = [B] x [C]	
1	**Invoices**				1
2	Administrative and General				2
3	A80 IBS - Chicago Facilities	141,000	2.20%	3,000	3
4	P06 Executive Office - President/COO	890,000	2.20%	20,000	4
5	Backfill Material Costs				5
6	P72 North District Operations	3,275,000	2.20%	72,000	6
7	P73 South District Operations	3,159,000	2.20%	69,000	7
8	P79 Central District Operations	4,090,000	2.20%	90,000	8
9	Distribution				9
10	P50 Contractor Services	93,000	2.20%	2,000	10
11	P55 Special Projects - Field Service	47,000	2.20%	1,000	11
12	P56 System Integrity	40,000	2.20%	1,000	12
13	P73 South District Operations	190,000	2.20%	4,000	13
14	P79 Central District Operations	556,000	2.20%	12,000	14
15	Distribution Tools and Equipment Costs				15
16	P72 North District Operations	35,000	2.20%	1,000	16
17	P73 South District Operations	130,000	2.20%	3,000	17
18	P79 Central District Operations	166,000	2.20%	4,000	18
19	**Materials and Supplies**				19
20	Distribution				20
21	P52 Gas Operations	85,000	2.20%	2,000	21
22	P55 Special Projects - Field Service	37,000	2.20%	1,000	22
23	P56 System Integrity	25,000	2.20%	1,000	23
24	P72 North District Operations	1,750,000	2.20%	39,000	24
25	P73 South District Operations	1,595,000	2.20%	35,000	25
26	P79 Central District Operations	1,700,000	2.20%	37,000	26
27	Distribution Tools and Equipment Costs				27
28	P72 North District Operations	650,000	2.20%	14,000	28
29	P73 South District Operations	29,000	2.20%	1,000	29
30	P79 Central District Operations	358,000	2.20%	8,000	30
31	**Expense Accounts**				31
32	Distribution				32
33	P72 North District Operations	50,000	2.20%	1,000	33
34	P73 South District Operations	50,000	2.20%	1,000	34
35	P79 Central District Operations	50,000	2.20%	1,000	35
36	**Distribution Tools**				36
37	Capital				37
38	PC4 PGL Distribution Tools Clearing	261,000	2.20%	6,000	38
39	Distribution				39
40	PC4 PGL Distribution Tools Clearing	1,234,000	2.20%	27,000	40
41	**Paving**				41
42	Customer Accounts				42
43	P73 South District Operations	47,000	2.20%	1,000	43
44	P79 Central District Operations	24,000	2.20%	1,000	44
45	Distribution				45
46	P72 North District Operations	3,625,000	2.20%	80,000	46
47	P73 South District Operations	3,553,000	2.20%	78,000	47
48	P79 Central District Operations	2,251,000	2.20%	50,000	48

The Peoples Gas Light and Coke Company

Inflation

Line No.	Description	Base Dollars	Inflation Factor	Inflation Amount	Line No.
	[A]	[B]	[C]	[D] = [B] x [C]	
1	**Piping**				1
2	Distribution				2
3	P56 System Integrity	1,850,000	2.20%	41,000	3
4	P73 South District Operations	2,150,000	2.20%	47,000	4
5	P79 Central District Operations	2,150,000	2.20%	47,000	5
6	**Landscaping**				6
7	Distribution				7
8	P72 North District Operations	221,000	2.20%	5,000	8
9	P73 South District Operations	268,000	2.20%	6,000	9
10	**Contracted Saw Cutting**				10
11	Distribution				11
12	P72 North District Operations	480,000	2.20%	11,000	12
13	P73 South District Operations	160,000	2.20%	4,000	13
14	P79 Central District Operations	160,000	2.20%	4,000	14

The Peoples Gas Light and Coke Company

Proration of Accumulated Deferred Income Taxes

Test Year Ending December 31, 2013

Line No.	Description	Days(1)	Ratio	Liberalized Depreciation Statutory Rate Per Books	Liberalized Depreciation Statutory Rate Prorated	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Balance 12/31/2012			$ (366,702,000)	$ (366,702,000)	1
2	January		100.0%	303,000	303,000	2
3	February		100.0%	303,000	303,000	3
4	March		100.0%	302,000	302,000	4
5	April		100.0%	303,000	303,000	5
6	May		100.0%	303,000	303,000	6
7	June		100.0%	303,000	303,000	7
8	July	154	83.2%	302,000	251,000	8
9	August	123	66.5%	303,000	201,000	9
10	September	93	50.3%	303,000	152,000	10
11	October	62	33.5%	303,000	102,000	11
12	November	32	17.3%	302,000	52,000	12
13	December	1	0.5%	303,000	2,000	13
14	Balance 12/31/2013			$ (363,069,000)	$ (364,125,000)	14
15	Impact of Proration (Col E, line 14 - Col D, line 14) - amount shown on Schedule B-9				(1,056,000)	15

Notes: (1)Total days in period: 185

Assumes rates become effective July 1, 2013.

The Peoples Gas Light and Coke Company

Actual Gross Additions and Retirements
Compared to Original Budget

		Historical Year Ended December 31, 2009						
		Gross Additions			Retirements			
Line No.	Plant Function	Actual	Budget (1)	Difference	Actual	Budget (1)	Difference	Line No.
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	
1	Distribution	$ 55,750,000	$ 42,342,000	$ 13,408,000	$ (15,778,000)	$ (15,125,000)	$ (653,000)	1
2	Manufactured Gas Production	-	2,000,000	(2,000,000)	-	-	-	2
3	Underground Storage	13,774,000	16,425,000	(2,651,000)	-	(1,271,000)	1,271,000	3
4	Other Storage	-	1,717,000	(1,717,000)	-	-	-	4
5	Liquefied Natural Gas	2,257,000	-	2,257,000	-	-	-	5
6	Transmission - Not Leased	710,000	5,015,000	(4,305,000)	-	-	-	6
7	General	1,944,000	3,490,000	(1,546,000)	(2,238,000)	(8,774,000)	6,536,000	7
8	Intangible	770,000	592,000	178,000	-	-	-	8
9	Production	-	-	-	-	-	-	9
10	Total Account 101	$ 75,205,000	$ 71,581,000	$ 3,624,000	$ (18,016,000)	$ (25,170,000)	$ 7,154,000	10
11	Recoverable Natural Gas (Account 117)	527,000	638,000	(111,000)	-	-	-	11
12	Total Plant In Service	$ 75,732,000	$ 72,219,000	$ 3,513,000	$ (18,016,000)	$ (25,170,000)	$ 7,154,000	12

Note: (1) For 2009, the budget column represents a revised budget that was used for management purposes due to the economic downturn. The revised budget was addressed in Docket Nos. 09-0166/0167 (Cons.).

The Peoples Gas Light and Coke Company

Actual Gross Additions and Retirements
Compared to Original Budget

		Historical Year Ended December 31, 2010						
		Gross Additions			Retirements			
Line No.	Plant Function	Actual	Budget	Difference	Actual	Budget	Difference	Line No.
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	
1	Distribution	$ 54,549,000	$ 56,040,000	$ (1,491,000)	$ (7,778,000)	$ (11,107,000)	$ 3,329,000	1
2	Manufactured Gas Production	-	-	-	-	-	-	2
3	Underground Storage	13,222,000	14,865,000	(1,643,000)	-	(694,000)	694,000	3
4	Other Storage	-	-	-	-	-	-	4
5	Liquefied Natural Gas	193,000	996,000	(803,000)	-	-	-	5
6	Transmission - Not Leased	1,676,000	3,503,000	(1,827,000)	(40,000)	-	(40,000)	6
7	General	3,018,000	8,888,000	(5,870,000)	(4,805,000)	(171,000)	(4,634,000)	7
8	Intangible	49,000	-	49,000	(28,101,000)	-	(28,101,000)	8
9	Production	-	-	-	-	-	-	9
10	Total Account 101	$ 72,707,000	$ 84,292,000	$ (11,585,000)	$ (40,724,000)	$ (11,972,000)	$ (28,752,000)	10
11	Recoverable Natural Gas (Account 117)	271,000	404,000	(133,000)	-	-	-	11
12	Total Plant In Service	$ 72,978,000	$ 84,696,000	$ (11,718,000)	$ (40,724,000)	$ (11,972,000)	$ (28,752,000)	12

The Peoples Gas Light and Coke Company

Actual Gross Additions and Retirements
Compared to Original Budget

		Historical Year Ended December 31, 2011						
		Gross Additions			Retirements			
Line No.	Plant Function	Actual	Budget	Difference	Actual	Budget	Difference	Line No.
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	
1	Distribution	$ 122,300,000	$ 144,920,000	$ (22,620,000)	$ (23,486,000)	$ (26,840,000)	$ 3,354,000	1
2	Manufactured Gas Production	-	-	-	-	-	-	2
3	Underground Storage	21,695,000	25,366,000	(3,671,000)	(927,000)	(340,000)	(587,000)	3
4	Other Storage	-	-	-	-	-	-	4
5	Liquefied Natural Gas	277,000	4,570,000	(4,293,000)	(3,000)	(527,000)	524,000	5
6	Transmission - Not Leased	527,000	2,566,000	(2,039,000)	(408,000)	(126,000)	(282,000)	6
7	General	11,561,000	12,192,000	(631,000)	(11,484,000)	(271,000)	(11,213,000)	7
8	Intangible	619,000	-	619,000	(642,000)	-	(642,000)	8
9	Production	7,391,000	6,000,000	1,391,000	-	-	-	9
10	Total Account 101	$ 164,370,000	$ 195,614,000	$ (31,244,000)	$ (36,950,000)	$ (28,104,000)	$ (8,846,000)	10
11	Recoverable Natural Gas (Account 117)	254,000	365,000	(111,000)	-	-	-	11
12	Total Plant In Service	$ 164,624,000	$ 195,979,000	$ (31,355,000)	$ (36,950,000)	$ (28,104,000)	$ (8,846,000)	12

The Peoples Gas Light and Coke Company

Comparison of Budgeted Non-Payroll Expense to Actual

Line No.	Account Number	Description	Actual	Budget (1)	Variance	% Variance	Line No.
			Historical Year Ended December 31, 2009				
		[A]	[B]	[C]	[D]	[E]	
1	**Underground Storage**						1
2	Operation						2
3	814.00	Operation Supervision and Engineering	$ 561,000	$ 582,000	$ (21,000)	-3.61%	3
4	815.00	Maps and Records	71,000	-	71,000	-	4
5	816.00	Wells Expenses	352,000	385,000	(33,000)	-8.57%	5
6	817.00	Lines Expenses	22,000	3,000	19,000	633.33%	6
7	818.00	Compressor Station Expense	432,000	418,000	14,000	3.35%	7
8	819.00	Compressor Station Fuel and Power	3,789,000	2,720,000	1,069,000	39.30%	8
9	820.00	Measuring and Regulating Station Expense	246,000	131,000	115,000	87.79%	9
10	821.00	Purification Expense	1,310,000	1,610,000	(300,000)	-18.63%	10
11	824.00	Other Expense	1,168,000	1,677,000	(509,000)	-30.35%	11
12	825.00	Storage Well Royalties	63,000	29,000	34,000	117.24%	12
13		Total Operation	8,014,000	7,555,000	459,000	6.08%	13
14	Maintenance						14
15	830.00	Maintenance Supervision and Engineering	218,000	221,000	(3,000)	-1.36%	15
16	831.00	Maintenance of Structures and Improvements	215,000	118,000	97,000	82.20%	16
17	832.00	Maintenance of Reservoirs and Wells	619,000	730,000	(111,000)	-15.21%	17
18	833.00	Maintenance of Lines	137,000	124,000	13,000	10.48%	18
19	834.00	Maintenance of Compressor Station Equipment	568,000	734,000	(166,000)	-22.62%	19
20	835.00	Maintenance of Measuring and Regulating Station Equipment	120,000	4,000	116,000	2900.00%	20
21	836.00	Maintenance of Purification Equipment	174,000	380,000	(206,000)	-54.21%	21
22	837.00	Maintenance of Other Equipment	701,000	586,000	115,000	19.62%	22
23		Total Maintenance	2,752,000	2,897,000	(145,000)	-5.01%	23
24		**Total Underground Storage**	**10,766,000**	**10,452,000**	**314,000**	3.00%	24
25	**Other Storage**						25
26	Operation						26
27	840.00	Operation Supervision and Engineering	60,000	60,000	-	0.00%	27
28	841.00	Operation Labor and Expenses	302,000	163,000	139,000	85.28%	28
29	842.10	Fuel	88,000	588,000	(500,000)	-85.03%	29
30	842.20	Power	318,000	-	318,000	-	30
31		Total Operation	768,000	811,000	(43,000)	-5.30%	31
32	Maintenance						32
33	843.10	Maintenance Supervision and Engineering	33,000	60,000	(27,000)	-45.00%	33
34	843.50	Maintenance of Liquefaction Equipment	43,000	1,000	42,000	4200.00%	34
35	843.60	Maintenance of Vaporizing Equipment	116,000	60,000	56,000	93.33%	35
36	843.70	Maintenance of Compressor Equipment	158,000	106,000	52,000	49.06%	36
37	843.80	Maintenance of Measuring and Regulating Equipment	96,000	37,000	59,000	159.46%	37
38	843.90	Maintenance of Other Equipment	214,000	108,000	106,000	98.15%	38
39		Total Maintenance	660,000	372,000	288,000	77.42%	39
40		**Total Other Storage**	**1,428,000**	**1,183,000**	**245,000**	20.71%	40
41	**Transmission**						41
42	Operation						42
43	856.00	Mains Expenses	959,000	805,000	154,000	19.13%	43
44	857.00	Measuring and Regulating Station Expenses	1,224,000	2,101,000	(877,000)	-41.74%	44
45	859.00	Other Expenses	88,000	523,000	(435,000)	-83.17%	45
46	860.00	Rents	198,000	300,000	(102,000)	-34.00%	46
47		Total Operation	2,469,000	3,729,000	(1,260,000)	-33.79%	47
48	Maintenance						48
49	863.00	Maintenance of Mains	918,000	720,000	198,000	27.50%	49
50	865.00	Maintenance of Measuring and Regulating Station Equipment	311,000	-	311,000	-	50
51	867.00	Maintenance of Other Equipment	1,000	-	1,000	-	51
52		Total Maintenance	1,230,000	720,000	510,000	70.83%	52
53		**Total Transmission**	**3,699,000**	**4,449,000**	**(750,000)**	-16.86%	53

Note: (1) For 2009, the budget column represents a revised budget that was used for management purposes due to the economic downturn. The revised budget was addressed in Docket Nos. 09-0166/0167 (Cons.).

The Peoples Gas Light and Coke Company

Comparison of Budgeted Non-Payroll Expense to Actual

Line No.	Account Number and Description		Historical Year Ended December 31, 2009 Actual	Budget (1)	Variance	% Variance	Line No.
	[A]		[B]	[C]	[D]	[E]	
1	**Distribution**						1
2	Operation						2
3	870.00	Operation Supervision and Engineering	$ 1,001,000	$ 3,934,000	$ (2,933,000)	-74.56%	3
4	871.00	Distribution Load Dispatching	1,185,000	81,000	1,104,000	1362.96%	4
5	874.00	Mains and Services Expenses	2,407,000	10,339,000	(7,932,000)	-76.72%	5
6	875.00	Measuring and Regulating Station Expense - General	19,000	-	19,000	-	6
7	877.00	Measuring and Regulating Station Expense - City Gate	40,000	6,000	34,000	566.67%	7
8	878.00	Meter and House Regulator Expenses	7,049,000	1,409,000	5,640,000	400.28%	8
9	879.00	Customer Installations Expenses	2,659,000	(465,000)	3,124,000	-671.83%	9
10	880.00	Other Expenses	3,376,000	2,074,000	1,302,000	62.78%	10
11	881.00	Rents	94,000	254,000	(160,000)	-62.99%	11
12		Total Operation	17,830,000	17,632,000	198,000	1.12%	12
13	Maintenance						13
14	885.00	Maintenance Supervision and Engineering	424,000	109,000	315,000	288.99%	14
15	886.00	Maintenance of Structures and Improvements	132,000	165,000	(33,000)	-20.00%	15
16	887.00	Maintenance of Mains	17,414,000	22,850,000	(5,436,000)	-23.79%	16
17	889.00	Maintenance of Measuring and Regulating Station - General	90,000	7,000	83,000	1185.71%	17
18	892.00	Maintenance of Services	6,142,000	4,848,000	1,294,000	26.69%	18
19	893.00	Maintenance of Meters and House Regulators	(108,000)	264,000	(372,000)	-140.91%	19
20		Total Maintenance	24,094,000	28,243,000	(4,149,000)	-14.69%	20
21		**Total Distribution**	**41,924,000**	**45,875,000**	**(3,951,000)**	-8.61%	21
22	**Customer Accounts**						22
23	901.00	Customer Accounts Supervision	3,392,000	1,263,000	2,129,000	168.57%	23
24	902.00	Meter Reading Expenses	114,000	615,000	(501,000)	-81.46%	24
25	903.00	Customer Records and Collection Expenses	17,627,000	14,497,000	3,130,000	21.59%	25
26	904.00	Uncollectible Accounts	36,139,000	33,354,000	2,785,000	8.35%	26
27	905.00	Miscellaneous Customer Accounts Expenses	4,123,000	3,387,000	736,000	21.73%	27
28		**Total Customer Accounts**	**61,395,000**	**53,116,000**	**8,279,000**	15.59%	28
29	**Customer Service and Informational Expenses**						29
30	907.00	Customer Service Supervision	920,000	1,046,000	(126,000)	-12.05%	30
31	908.00	Customer Assistance Expenses	704,000	1,536,000	(832,000)	-54.17%	31
32	909.00	Information and Instructional Advertising Expense	1,160,000	1,105,000	55,000	4.98%	32
33	910.00	Miscellaneous Customer Service and Informational Expense	2,000	-	2,000	-	33
34		**Total Customer Service and Informational Expenses**	**2,786,000**	**3,687,000**	**(901,000)**	-24.44%	34
35	**Administrative and General**						35
36	Operation						36
37	920.00	Administrative and General Salaries	26,014,000	16,644,000	9,370,000	56.30%	37
38	921.00	Office Supplies and Expense	8,367,000	33,170,000	(24,803,000)	-74.78%	38
39	922.00	Administrative Expenses Transferred - Credit	(13,000)	(8,330,000)	8,317,000	-99.84%	39
40	923.00	Outside Services Employed	6,618,000	3,371,000	3,247,000	96.32%	40
41	924.00	Property Insurance	258,000	259,000	(1,000)	-0.39%	41
42	925.00	Injuries and Damages	12,913,000	9,013,000	3,900,000	43.27%	42
43	926.00	Employee Pensions and Benefits	43,394,000	40,441,000	2,953,000	7.30%	43
44	928.00	Regulatory commission expenses	592,000	591,000	1,000	0.17%	44
45	929.00	Duplicate Charges - Credit	(14,000)	-	(14,000)	-	45
46	930.10	General Advertising Expenses	81,000	10,000	71,000	710.00%	46
47	930.20	Miscellaneous General Expenses	55,364,000	49,146,000	6,218,000	12.65%	47
48	931.00	Rents	4,101,000	5,732,000	(1,631,000)	-28.45%	48
49		Total Operation	157,675,000	150,047,000	7,628,000	5.08%	49
50	Maintenance						50
51	932.00	Maintenance of General Plant	23,000	16,000	7,000	43.75%	51
52		Total Maintenance	23,000	16,000	7,000	43.75%	52
53		**Total Administrative and General**	**157,698,000**	**150,063,000**	**7,635,000**	5.09%	53
54		**Total Operation and Maintenance Non-Payroll**	**$ 279,696,000**	**$ 268,825,000**	**$ 10,871,000**	4.04%	54

Note: (1) For 2009, the budget column represents a revised budget that was used for management purposes due to the economic downturn. The revised budget was addressed in Docket Nos. 09-0166/0167 (Cons.).

The Peoples Gas Light and Coke Company

Comparison of Budgeted Non-Payroll Expense to Actual

Line No.	Account Number and Description		Historical Year Ended December 31, 2010 Actual	Budget	Variance	% Variance	Line No.
	[A]		[B]	[C]	[D]	[E]	
1	**Production**						1
2	813.00	Other Gas Supply Expenses	-	1,009,000	(1,009,000)	-100.00%	2
3		**Total Sales**	**-**	**1,009,000**	**(1,009,000)**	-100.00%	3
4	**Underground Storage**						4
5	Operation						5
6	814.00	Operation Supervision and Engineering	421,000	702,000	(281,000)	-40.03%	6
7	815.00	Maps and Records	8,000	-	8,000	-	7
8	816.00	Wells Expenses	327,000	368,000	(41,000)	-11.14%	8
9	817.00	Lines Expenses	17,000	27,000	(10,000)	-37.04%	9
10	818.00	Compressor Station Expense	510,000	414,000	96,000	23.19%	10
11	819.00	Compressor Station Fuel and Power	3,017,000	3,390,000	(373,000)	-11.00%	11
12	820.00	Measuring and Regulating Station Expense	189,000	169,000	20,000	11.83%	12
13	821.00	Purification Expense	988,000	1,063,000	(75,000)	-7.06%	13
14	824.00	Other Expense	545,000	515,000	30,000	5.83%	14
15	825.00	Storage Well Royalties	30,000	29,000	1,000	3.45%	15
16		Total Operation	6,052,000	6,677,000	(625,000)	-9.36%	16
17	Maintenance						17
18	830.00	Maintenance Supervision and Engineering	191,000	189,000	2,000	1.06%	18
19	831.00	Maintenance of Structures and Improvements	243,000	148,000	95,000	64.19%	19
20	832.00	Maintenance of Reservoirs and Wells	549,000	802,000	(253,000)	-31.55%	20
21	833.00	Maintenance of Lines	187,000	138,000	49,000	35.51%	21
22	834.00	Maintenance of Compressor Station Equipment	667,000	833,000	(166,000)	-19.93%	22
23	835.00	Maintenance of Measuring and Regulating Station Equipment	105,000	132,000	(27,000)	-20.45%	23
24	836.00	Maintenance of Purification Equipment	533,000	471,000	62,000	13.16%	24
25	837.00	Maintenance of Other Equipment	783,000	668,000	115,000	17.22%	25
26		Total Maintenance	3,258,000	3,381,000	(123,000)	-3.64%	26
27		**Total Underground Storage**	**9,310,000**	**10,058,000**	**(748,000)**	-7.44%	27
28	**Other Storage**						28
29	Operation						29
30	840.00	Operation Supervision and Engineering	45,000	63,000	(18,000)	-28.57%	30
31	841.00	Operation Labor and Expenses	237,000	157,000	80,000	50.96%	31
32	842.10	Fuel	374,000	532,000	(158,000)	-29.70%	32
33		Total Operation	656,000	752,000	(96,000)	-12.77%	33
34	Maintenance						34
35	843.10	Maintenance Supervision and Engineering	34,000	32,000	2,000	6.25%	35
36	843.30	Maintenance of Gas Holders	1,000	-	1,000	-	36
37	843.50	Maintenance of Liquefaction Equipment	115,000	1,000	114,000	11400.00%	37
38	843.60	Maintenance of Vaporizing Equipment	52,000	82,000	(30,000)	-36.59%	38
39	843.70	Maintenance of Compressor Equipment	62,000	8,000	54,000	675.00%	39
40	843.80	Maintenance of Measuring and Regulating Equipment	71,000	38,000	33,000	86.84%	40
41	843.90	Maintenance of Other Equipment	151,000	104,000	47,000	45.19%	41
42		Total Maintenance	486,000	265,000	221,000	83.40%	42
43		**Total Other Storage**	**1,142,000**	**1,017,000**	**125,000**	12.29%	43
44	**Transmission**						44
45	Operation						45
46	856.00	Mains Expenses	488,000	781,000	(293,000)	-37.52%	46
47	857.00	Measuring and Regulating Station Expenses	655,000	928,000	(273,000)	-29.42%	47
48	859.00	Other Expenses	218,000	54,000	164,000	303.70%	48
49	860.00	Rents	210,000	153,000	57,000	37.25%	49
50		Total Operation	1,571,000	1,916,000	(345,000)	-18.01%	50
51	Maintenance						51
52	863.00	Maintenance of Mains	743,000	1,687,000	(944,000)	-55.96%	52
53	865.00	Maintenance of Measuring and Regulating Station Equipment	479,000	299,000	180,000	60.20%	53
54	867.00	Maintenance of Other Equipment	1,000	-	1,000	-	54
55		Total Maintenance	1,223,000	1,986,000	(763,000)	-38.42%	55
56		**Total Transmission**	**2,794,000**	**3,902,000**	**(1,108,000)**	-28.40%	56

The Peoples Gas Light and Coke Company

Comparison of Budgeted Non-Payroll Expense to Actual

			Historical Year Ended December 31, 2010				
Line No.	Account Number and Description		Actual	Budget	Variance	% Variance	Line No.
	[A]		[B]	[C]	[D]	[E]	
1	**Distribution**						1
2	Operation						2
3	870.00	Operation Supervision and Engineering	$ 1,799,000	$ 4,950,000	$ (3,151,000)	-63.66%	3
4	871.00	Distribution Load Dispatching	1,221,000	811,000	410,000	50.55%	4
5	874.00	Mains and Services Expenses	1,380,000	2,024,000	(644,000)	-31.82%	5
6	875.00	Measuring and Regulating Station Expense - General	68,000	-	68,000	-	6
7	877.00	Measuring and Regulating Station Expense - City Gate	45,000	10,000	35,000	350.00%	7
8	878.00	Meter and House Regulator Expenses	6,586,000	3,242,000	3,344,000	103.15%	8
9	879.00	Customer Installations Expenses	2,262,000	1,293,000	969,000	74.94%	9
10	880.00	Other Expenses	2,754,000	13,717,000	(10,963,000)	-79.92%	10
11	881.00	Rents	142,000	77,000	65,000	84.42%	11
12		Total Operation	16,257,000	26,124,000	(9,867,000)	-37.77%	12
13	Maintenance						13
14	885.00	Maintenance Supervision and Engineering	392,000	86,000	306,000	355.81%	14
15	886.00	Maintenance of Structures and Improvements	168,000	161,000	7,000	4.35%	15
16	887.00	Maintenance of Mains	21,795,000	16,246,000	5,549,000	34.16%	16
17	889.00	Maintenance of Measuring and Regulating Station - General	628,000	55,000	573,000	1041.82%	17
18	892.00	Maintenance of Services	8,402,000	6,169,000	2,233,000	36.20%	18
19	893.00	Maintenance of Meters and House Regulators	22,000	119,000	(97,000)	-81.51%	19
20	894.00	Maintenance of Other Equipment	2,000	-	2,000	-	20
21		Total Maintenance	31,409,000	22,836,000	8,573,000	37.54%	21
22		**Total Distribution**	**47,666,000**	**48,960,000**	**(1,294,000)**	-2.64%	22
23	**Customer Accounts**						23
24	901.00	Customer Accounts Supervision	2,817,000	1,515,000	1,302,000	85.94%	24
25	902.00	Meter Reading Expenses	76,000	147,000	(71,000)	-48.30%	25
26	903.00	Customer Records and Collection Expenses	17,570,000	19,745,000	(2,175,000)	-11.02%	26
27	904.00	Uncollectible Accounts	24,323,000	30,723,000	(6,400,000)	-20.83%	27
28	905.00	Miscellaneous Customer Accounts Expenses	21,716,000	9,345,000	12,371,000	132.38%	28
29		**Total Customer Accounts**	**66,502,000**	**61,475,000**	**5,027,000**	8.18%	29
30	**Customer Service and Informational Expenses**						30
31	907.00	Customer Service Supervision	694,000	459,000	235,000	51.20%	31
32	908.00	Customer Assistance Expenses	903,000	1,055,000	(152,000)	-14.41%	32
33	909.00	Information and Instructional Advertising Expense	310,000	1,302,000	(992,000)	-76.19%	33
34	910.00	Miscellaneous Customer Service and Informational Expense	4,000	-	4,000	-	34
35		**Total Customer Service and Informational Expenses**	**1,911,000**	**2,816,000**	**(905,000)**	-32.14%	35
36	**Administrative and General**						36
37	Operation						37
38	920.00	Administrative and General Salaries	25,928,000	19,662,000	6,266,000	31.87%	38
39	921.00	Office Supplies and Expense	7,177,000	8,579,000	(1,402,000)	-16.34%	39
40	922.00	Administrative Expenses Transferred - Credit	(4,000)	(5,000,000)	4,996,000	-99.92%	40
41	923.00	Outside Services Employed	6,017,000	7,515,000	(1,498,000)	-19.93%	41
42	924.00	Property Insurance	206,000	199,000	7,000	3.52%	42
43	925.00	Injuries and Damages	8,684,000	12,018,000	(3,334,000)	-27.74%	43
44	926.00	Employee Pensions and Benefits	47,141,000	43,902,000	3,239,000	7.38%	44
45	928.00	Regulatory Commission Expenses	1,946,000	1,079,000	867,000	80.35%	45
46	929.00	Duplicate Charges - Credit	(14,000)	(14,000)	-	-	46
47	930.10	General Advertising Expenses	65,000	160,000	(95,000)	-59.38%	47
48	930.20	Miscellaneous General Expenses	33,774,000	38,429,000	(4,655,000)	-12.11%	48
49	931.00	Rents	4,499,000	6,214,000	(1,715,000)	-27.60%	49
50		Total Operation	135,419,000	132,743,000	2,676,000	2.02%	50
51	Maintenance						51
52	932.00	Maintenance of General Plant	2,000	16,000	(14,000)	-87.50%	52
53		Total Maintenance	2,000	16,000	(14,000)	-87.50%	53
54		**Total Administrative and General**	**135,421,000**	**132,759,000**	**2,662,000**	2.01%	54
55		**Total Operation and Maintenance Non-Payroll**	**$ 264,746,000**	**$ 261,996,000**	**$ 2,750,000**	1.05%	55

The Peoples Gas Light and Coke Company

Comparison of Budgeted Non-Payroll Expense to Actual

Line No.		Account Number and Description	Historical Year Ended December 31, 2011 Actual	Budget	Variance	% Variance	Line No.
		[A]	[B]	[C]	[D]	[E]	
1	**Underground Storage**						1
2	Operation						2
3	814.00	Operation Supervision and Engineering	$ 476,000	$ 496,000	$ (20,000)	-4.03%	3
4	815.00	Maps and Records	6,000	-	6,000	-	4
5	816.00	Wells Expenses	285,000	328,000	(43,000)	-13.11%	5
6	817.00	Lines Expenses	1,000	33,000	(32,000)	-96.97%	6
7	818.00	Compressor Station Expense	695,000	444,000	251,000	56.53%	7
8	819.00	Compressor Station Fuel and Power	3,086,000	3,388,000	(302,000)	-8.91%	8
9	820.00	Measuring and Regulating Station Expense	222,000	178,000	44,000	24.72%	9
10	821.00	Purification Expense	891,000	1,036,000	(145,000)	-14.00%	10
11	824.00	Other Expense	616,000	889,000	(273,000)	-30.71%	11
12	825.00	Storage Well Royalties	36,000	27,000	9,000	33.33%	12
13		Total Operation	6,314,000	6,819,000	(505,000)	-7.41%	13
14	Maintenance						14
15	830.00	Maintenance Supervision and Engineering	202,000	187,000	15,000	8.02%	15
16	831.00	Maintenance of Structures and Improvements	212,000	129,000	83,000	64.34%	16
17	832.00	Maintenance of Reservoirs and Wells	557,000	851,000	(294,000)	-34.55%	17
18	833.00	Maintenance of Lines	530,000	146,000	384,000	263.01%	18
19	834.00	Maintenance of Compressor Station Equipment	803,000	684,000	119,000	17.40%	19
20	835.00	Maintenance of Measuring and Regulating Station Equipment	105,000	121,000	(16,000)	-13.22%	20
21	836.00	Maintenance of Purification Equipment	883,000	219,000	664,000	303.20%	21
22	837.00	Maintenance of Other Equipment	848,000	690,000	158,000	22.90%	22
23		Total Maintenance	4,140,000	3,027,000	1,113,000	36.77%	23
24		**Total Underground Storage**	**10,454,000**	**9,846,000**	**608,000**	6.18%	24
25	**Other Storage**						25
26	Operation						26
27	840.00	Operation Supervision and Engineering	82,000	53,000	29,000	54.72%	27
28	841.00	Operation Labor and Expenses	249,000	208,000	41,000	19.71%	28
29	842.10	Fuel	493,000	529,000	(36,000)	-6.81%	29
30		Total Operation	824,000	790,000	34,000	4.30%	30
31	Maintenance						31
32	843.10	Maintenance Supervision and Engineering	29,000	27,000	2,000	7.41%	32
33	843.30	Maintenance of Gas Holders	4,000	-	4,000	-	33
34	843.50	Maintenance of Liquefaction Equipment	24,000	-	24,000	-	34
35	843.60	Maintenance of Vaporizing Equipment	98,000	89,000	9,000	10.11%	35
36	843.70	Maintenance of Compressor Equipment	57,000	111,000	(54,000)	-48.65%	36
37	843.80	Maintenance of Measuring and Regulating Equipment	67,000	50,000	17,000	34.00%	37
38	843.90	Maintenance of Other Equipment	177,000	147,000	30,000	20.41%	38
39		Total Maintenance	456,000	424,000	32,000	7.55%	39
40		**Total Other Storage**	**1,280,000**	**1,214,000**	**66,000**	5.44%	40
41	**Transmission**						41
42	Operation						42
43	856.00	Mains Expenses	42,000	574,000	(532,000)	-92.68%	43
44	857.00	Measuring and Regulating Station Expenses	618,000	361,000	257,000	71.19%	44
45	859.00	Other Expenses	145,000	235,000	(90,000)	-38.30%	45
46	860.00	Rents	128,000	166,000	(38,000)	-22.89%	46
47		Total Operation	933,000	1,336,000	(403,000)	-30.16%	47
48	Maintenance						48
49	863.00	Maintenance of Mains	403,000	1,549,000	(1,146,000)	-73.98%	49
50	865.00	Maintenance of Measuring and Regulating Station Equipment	475,000	460,000	15,000	3.26%	50
51	867.00	Maintenance of Other Equipment	1,000	-	1,000	-	51
52		Total Maintenance	879,000	2,009,000	(1,130,000)	-56.25%	52
53		**Total Transmission**	**1,812,000**	**3,345,000**	**(1,533,000)**	-45.83%	53

The Peoples Gas Light and Coke Company

Comparison of Budgeted Non-Payroll Expense to Actual

Line No.	Account Number and Description [A]		Actual [B]	Budget [C]	Variance [D]	% Variance [E]	Line No.
			Historical Year Ended December 31, 2011				
1	**Distribution**						1
2	Operation						2
3	870.00	Operation Supervision and Engineering	$ 1,640,000	$ 5,054,000	$ (3,414,000)	-67.55%	3
4	871.00	Distribution Load Dispatching	1,444,000	972,000	472,000	48.56%	4
5	874.00	Mains and Services Expenses	1,711,000	2,707,000	(996,000)	-36.79%	5
6	875.00	Measuring and Regulating Station Expense - General	231,000	-	231,000	-	6
7	877.00	Measuring and Regulating Station Expense - City Gate	39,000	10,000	29,000	290.00%	7
8	878.00	Meter and House Regulator Expenses	7,698,000	3,228,000	4,470,000	138.48%	8
9	879.00	Customer Installations Expenses	2,816,000	1,024,000	1,792,000	175.00%	9
10	880.00	Other Expenses	8,468,000	14,465,000	(5,997,000)	-41.46%	10
11	881.00	Rents	104,000	80,000	24,000	30.00%	11
12		Total Operation	24,151,000	27,540,000	(3,389,000)	-12.31%	12
13	Maintenance						13
14	885.00	Maintenance Supervision and Engineering	208,000	133,000	75,000	56.39%	14
15	886.00	Maintenance of Structures and Improvements	260,000	100,000	160,000	160.00%	15
16	887.00	Maintenance of Mains	23,003,000	18,226,000	4,777,000	26.21%	16
17	889.00	Maintenance of Measuring and Regulating Station - General	(358,000)	44,000	(402,000)	-913.64%	17
18	892.00	Maintenance of Services	7,358,000	6,928,000	430,000	6.21%	18
19	893.00	Maintenance of Meters and House Regulators	69,000	50,000	19,000	38.00%	19
20		Total Maintenance	30,540,000	25,481,000	5,059,000	19.85%	20
21		**Total Distribution**	**54,691,000**	**53,021,000**	**1,670,000**	3.15%	21
22	**Customer Accounts**						22
23	901.00	Customer Accounts Supervision	2,573,000	952,000	1,621,000	170.27%	23
24	902.00	Meter Reading Expenses	53,000	123,000	(70,000)	-56.91%	24
25	903.00	Customer Records and Collection Expenses	16,882,000	16,849,000	33,000	0.20%	25
26	904.00	Uncollectible Accounts	22,466,000	28,489,000	(6,023,000)	-21.14%	26
27	905.00	Miscellaneous Customer Accounts Expenses	8,772,000	6,957,000	1,815,000	26.09%	27
28		**Total Customer Accounts**	**50,746,000**	**53,370,000**	**(2,624,000)**	-4.92%	28
29	**Customer Service and Informational Expenses**						29
30	907.00	Customer Service Supervision	469,000	-	469,000	-	30
31	908.00	Customer Assistance Expenses	787,000	1,062,000	(275,000)	-25.89%	31
32	909.00	Information and Instructional Advertising Expense	13,000	1,117,000	(1,104,000)	-98.84%	32
33		**Total Customer Service and Informational Expenses**	**1,269,000**	**2,179,000**	**(910,000)**	-41.76%	33
34	**Administrative and General**						34
35	Operation						35
36	920.00	Administrative and General Salaries	25,324,000	22,734,000	2,590,000	11.39%	36
37	921.00	Office Supplies and Expense	7,260,000	9,112,000	(1,852,000)	-20.32%	37
38	922.00	Administrative Expenses Transferred - Credit	-	(630,000)	630,000	-100.00%	38
39	923.00	Outside Services Employed	5,597,000	5,361,000	236,000	4.40%	39
40	924.00	Property Insurance	198,000	204,000	(6,000)	-2.94%	40
41	925.00	Injuries and Damages	13,316,000	12,853,000	463,000	3.60%	41
42	926.00	Employee Pensions and Benefits	45,532,000	55,928,000	(10,396,000)	-18.59%	42
43	928.00	Regulatory Commission Expenses	2,172,000	2,019,000	153,000	7.58%	43
44	929.00	Duplicate Charges - Credit	(14,000)	(14,000)	-	0.00%	44
45	930.10	General Advertising Expenses	60,000	160,000	(100,000)	-62.50%	45
46	930.20	Miscellaneous General Expenses	22,665,000	26,639,000	(3,974,000)	-14.92%	46
47	931.00	Rents	5,308,000	6,291,000	(983,000)	-15.63%	47
48		**Total Administrative and General**	**127,418,000**	**140,657,000**	**(13,239,000)**	-9.41%	48
49		**Total Operation and Maintenance Non-Payroll**	**$ 247,670,000**	**$ 263,632,000**	**$ (15,962,000)**	-6.05%	49

The Peoples Gas Light and Coke Company

Budgeted Payroll Expense

Line No.	Account Number and Description		Historical Year Ended December 31, 2009 Actual	Budget (1)	Variance	% Variance	Line No.
	[A]		[B]	[C]	[D]	[E]	
1	**Transmission**						1
2	Operation						2
3	857.00	Measuring and Regulating Station Expenses	$ 1,000	$ 1,000	$ -	0.00%	3
4		Total Operation	1,000	1,000	-	0.00%	4
5	Maintenance						5
6	863.00	Maintenance of Mains	7,000	10,000	(3,000)	-30.00%	6
7	865.00	Maintenance of Measuring and Regulating Station Equipment	140,000	151,000	(11,000)	-7.28%	7
8		Total Maintenance	147,000	161,000	(14,000)	-8.70%	8
9		**Total Transmission**	**148,000**	**162,000**	**(14,000)**	-8.64%	9
10	**Distribution**						10
11	Operation						11
12	870.00	Operation Supervision and Engineering	5,642,000	3,700,000	1,942,000	52.49%	12
13	871.00	Distribution Load Dispatching	1,000	-	1,000	-	13
14	874.00	Mains and Services Expenses	3,854,000	3,483,000	371,000	10.65%	14
15	877.00	Measuring and Regulating Station Expense - City Gate	346,000	393,000	(47,000)	-11.96%	15
16	878.00	Meter and House Regulator Expenses	7,087,000	6,664,000	423,000	6.35%	16
17	879.00	Customer Installations Expenses	4,889,000	5,836,000	(947,000)	-16.23%	17
18	880.00	Other Expenses	13,265,000	12,181,000	1,084,000	8.90%	18
19		Total Operation	35,084,000	32,257,000	2,827,000	8.76%	19
20	Maintenance						20
21	885.00	Maintenance Supervision and Engineering	2,617,000	3,082,000	(465,000)	-15.09%	21
22	886.00	Maintenance of Structures and Improvements	72,000	11,000	61,000	554.55%	22
23	887.00	Maintenance of Mains	12,207,000	10,389,000	1,818,000	17.50%	23
24	892.00	Maintenance of Services	5,279,000	5,512,000	(233,000)	-4.23%	24
25	893.00	Maintenance of Meters and House Regulators	305,000	984,000	(679,000)	-69.00%	25
26		Total Maintenance	20,480,000	19,978,000	502,000	2.51%	26
27		**Total Distribution**	**55,564,000**	**52,235,000**	**3,329,000**	6.37%	27
28	**Customer Accounts**						28
29	902.00	Meter Reading Expenses	448,000	576,000	(128,000)	-22.22%	29
30	903.00	Customer Records and Collection Expenses	2,909,000	2,440,000	469,000	19.22%	30
31		**Total Customer Accounts**	**3,357,000**	**3,016,000**	**341,000**	11.31%	31
32	**Administrative and General**						32
33	920.00	Administrative and General Salaries	662,000	796,000	(134,000)	-16.83%	33
34	926.00	Employee Pensions and Benefits	(2,353,000)	(4,000)	(2,349,000)	58725.00%	34
35		**Total Administrative and General**	**(1,691,000)**	**792,000**	**(2,483,000)**	-313.51%	35
36		**Total Operation and Maintenance Payroll**	**$ 57,378,000**	**$ 56,205,000**	**$ 1,173,000**	2.09%	36

Note: (1) For 2009, the budget column represents a revised budget that was used for management purposes due to the economic downturn. The revised budget was addressed in Docket Nos. 09-0166/0167 (Cons.).

The Peoples Gas Light and Coke Company

Budgeted Payroll Expense

Line No.	Account Number and Description		Historical Year Ended December 31, 2010 Actual	Budget	Variance	% Variance	Line No.
	[A]		[B]	[C]	[D]	[E]	
1	**Transmission**						1
2	Operation						2
3	857.00	Measuring and Regulating Station Expenses	$ 5,000	$ -	$ 5,000	-	3
4		Total Operation	5,000	-	5,000	-	4
5	Maintenance						5
6	863.00	Maintenance of Mains	1,000	10,000	(9,000)	-90.00%	6
7	865.00	Maintenance of Measuring and Regulating Station Equipment	104,000	159,000	(55,000)	-34.59%	7
8		Total Maintenance	105,000	169,000	(64,000)	-37.87%	8
9		**Total Transmission**	**110,000**	**169,000**	**(59,000)**	-34.91%	9
10	**Distribution**						10
11	Operation						11
12	870.00	Operation Supervision and Engineering	1,388,000	5,344,000	(3,956,000)	-74.03%	12
13	874.00	Mains and Services Expenses	3,994,000	4,089,000	(95,000)	-2.32%	13
14	877.00	Measuring and Regulating Station Expense - City Gate	362,000	414,000	(52,000)	-12.56%	14
15	878.00	Meter and House Regulator Expenses	7,377,000	7,679,000	(302,000)	-3.93%	15
16	879.00	Customer Installations Expenses	4,256,000	6,213,000	(1,957,000)	-31.50%	16
17	880.00	Other Expenses	17,234,000	14,486,000	2,748,000	18.97%	17
18		Total Operation	34,611,000	38,225,000	(3,614,000)	-9.45%	18
19	Maintenance						19
20	885.00	Maintenance Supervision and Engineering	2,701,000	3,420,000	(719,000)	-21.02%	20
21	886.00	Maintenance of Structures and Improvements	90,000	10,000	80,000	800.00%	21
22	887.00	Maintenance of Mains	13,418,000	12,048,000	1,370,000	11.37%	22
23	889.00	Maintenance of Measuring and Regulating Station Equipment - General	5,000	-	5,000	-	23
24	892.00	Maintenance of Services	5,296,000	6,214,000	(918,000)	-14.77%	24
25	893.00	Maintenance of Meters and House Regulators	337,000	295,000	42,000	14.24%	25
26		Total Maintenance	21,847,000	21,987,000	(140,000)	-0.64%	26
27		**Total Distribution**	**56,458,000**	**60,212,000**	**(3,754,000)**	-6.23%	27
28	**Customer Accounts**						28
29	902.00	Meter Reading Expenses	405,000	478,000	(73,000)	-15.27%	29
30	903.00	Customer Records and Collection Expenses	3,317,000	2,604,000	713,000	27.38%	30
31	905.00	Miscellaneous Customer Accounts Expenses	(4,000)	-	(4,000)	-	31
32		**Total Customer Accounts**	**3,718,000**	**3,082,000**	**636,000**	20.64%	32
33	**Administrative and General**						33
34	920.00	Administrative and General Salaries	712,000	488,000	224,000	45.90%	34
35	922.00	Administrative Expenses Transferred - Credit	-	(4,000,000)	4,000,000	-100.00%	35
36	926.00	Employee Pensions and Benefits	(1,044,000)	(818,000)	(226,000)	27.63%	36
37	930.10	General Advertising Expenses	2,000	-	2,000	-	37
38		**Total Administrative and General**	**(330,000)**	**(4,330,000)**	**4,000,000**	-92.38%	38
39		**Total Operation and Maintenance Payroll**	**$ 59,956,000**	**$ 59,133,000**	**$ 823,000**	1.39%	39

The Peoples Gas Light and Coke Company

Budgeted Payroll Expense

Line No.		Account Number and Description	Historical Year Ended December 31, 2011 Actual	Budget	Variance	% Variance	Test Year Ending December 31, 2013	Line No.
		[A]	[B]	[C]	[D]	[E]	[F]	
1	**Transmission**							1
2	Operation							2
3	857.00	Measuring and Regulating Station Expenses	$ 7,000	$ -	$ 7,000	-	$ -	3
4		Total Operation	7,000	-	7,000	-	-	4
5	Maintenance							5
6	863.00	Maintenance of Mains	-	9,000	(9,000)	-100.00%	8,000	6
7	865.00	Maintenance of Measuring and Regulating Station Equipment	106,000	148,000	(42,000)	-28.38%	244,000	7
8		Total Maintenance	106,000	157,000	(51,000)	-32.48%	252,000	8
9		**Total Transmission**	**113,000**	**157,000**	**(44,000)**	-28.03%	**252,000**	9
10	**Distribution**							10
11	Operation							11
12	870.00	Operation Supervision and Engineering	74,000	2,830,000	(2,756,000)	-97.39%	238,000	12
13	874.00	Mains and Services Expenses	2,816,000	3,864,000	(1,048,000)	-27.12%	3,562,000	13
14	877.00	Measuring and Regulating Station Expense - City Gate	343,000	423,000	(80,000)	-18.91%	676,000	14
15	878.00	Meter and House Regulator Expenses	6,576,000	7,765,000	(1,189,000)	-15.31%	6,553,000	15
16	879.00	Customer Installations Expenses	4,116,000	6,131,000	(2,015,000)	-32.87%	5,272,000	16
17	880.00	Other Expenses	21,691,000	14,641,000	7,050,000	48.15%	26,642,000	17
18		Total Operation	35,616,000	35,654,000	(38,000)	-0.11%	42,943,000	18
19	Maintenance							19
20	885.00	Maintenance Supervision and Engineering	1,463,000	1,482,000	(19,000)	-1.28%	1,764,000	20
21	886.00	Maintenance of Structures and Improvements	56,000	11,000	45,000	409.09%	10,000	21
22	887.00	Maintenance of Mains	11,906,000	12,144,000	(238,000)	-1.96%	11,089,000	22
23	892.00	Maintenance of Services	5,544,000	6,139,000	(595,000)	-9.69%	5,240,000	23
24	893.00	Maintenance of Meters and House Regulators	545,000	357,000	188,000	52.66%	612,000	24
25		Total Maintenance	19,514,000	20,133,000	(619,000)	-3.07%	18,715,000	25
26		**Total Distribution**	**55,130,000**	**55,787,000**	**(657,000)**	-1.18%	**61,658,000**	26
27	**Customer Accounts**							27
28	901.00	Customer Accounts Supervision	-	381,000	(381,000)	-100.00%	444,000	28
29	902.00	Meter Reading Expenses	213,000	358,000	(145,000)	-40.50%	323,000	29
30	903.00	Customer Records and Collection Expenses	1,603,000	2,371,000	(768,000)	-32.39%	1,981,000	30
31	905.00	Miscellaneous Customer Accounts Expenses	4,000	55,000	(51,000)	-92.73%	64,000	31
32		**Total Customer Accounts**	**1,820,000**	**3,165,000**	**(1,345,000)**	-42.50%	**2,812,000**	32
33	**Customer Service and Informational Expenses**							33
34	907.00	Customer Service Supervision	-	50,000	(50,000)	-100.00%	59,000	34
35	908.00	Customer Service Customer Assistance Expense	349,000	-	349,000	-	-	35
36		**Total Customer Service and Informational Expenses**	**349,000**	**50,000**	**299,000**	598.00%	**59,000**	36
37	**Administrative and General**							37
38	920.00	Administrative and General Salaries	442,000	436,000	6,000	1.38%	855,000	38
39	926.00	Employee Pensions and Benefits	(341,000)	(380,000)	39,000	-10.26%	1,000	39
40		**Total Administrative and General**	**101,000**	**56,000**	**45,000**	80.36%	**856,000**	40
41		**Total Operation and Maintenance Payroll**	**$ 57,513,000**	**$ 59,215,000**	**$ (1,702,000)**	-2.87%	**$ 65,637,000**	41

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Test Year Ending December 31, 2013

Line No	Department	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	Line No
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	
1	**Officers and Administrative**													1
2	P06 Executive Office - President/COO													2
3	Full Time Employees (a)	2	2	2	2	2	2	2	2	2	2	2	2	3
4	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5
6	Total Full Time Equivalents (a)+(b)	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	6
7	**Operations**													7
8	**Executive Office**													8
9	P05 Executive Office - Gas Operations													9
10	Full Time Employees (a)	19	19	19	19	19	19	19	19	19	19	19	19	10
11	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12
13	Total Full Time Equivalents (a)+(b)	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	13
14	**Field Operations**													14
15	P50 Contractor Services													15
16	Full Time Employees (a)	13	13	13	13	13	13	13	13	13	13	13	13	16
17	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18
19	Total Full Time Equivalents (a)+(b)	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	19
20	P52 Gas Operations													20
21	Full Time Employees (a)	19	19	19	19	19	19	19	19	19	19	19	19	21
22	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23
24	Total Full Time Equivalents (a)+(b)	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	24
25	P72 North District Operations													25
26	Full Time Employees (a)	402	402	402	402	402	402	402	402	402	402	402	402	26
27	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	27
28	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28
29	Total Full Time Equivalents (a)+(b)	402.00	402.00	402.00	402.00	402.00	402.00	402.00	402.00	402.00	402.00	402.00	402.00	29
30	P73 South District Operations													30
31	Full Time Employees (a)	301	301	301	301	301	301	301	301	301	301	301	301	31
32	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	32
33	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33
34	Total Full Time Equivalents (a)+(b)	301.00	301.00	301.00	301.00	301.00	301.00	301.00	301.00	301.00	301.00	301.00	301.00	34
35	P79 Central District Operations													35
36	Full Time Employees (a)	305	305	305	305	305	305	305	305	305	305	305	305	36
37	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	37
38	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38
39	Total Full Time Equivalents (a)+(b)	305.00	305.00	305.00	305.00	305.00	305.00	305.00	305.00	305.00	305.00	305.00	305.00	39
40	Total Field Operations													40
41	Full Time Employees (a)	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	41
42	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43
44	Total Full Time Equivalents (a)+(b)	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00	44

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Test Year Ending December 31, 2013

Line No	Department [A]	January Budget [B]	February Budget [C]	March Budget [D]	April Budget [E]	May Budget [F]	June Budget [G]	July Budget [H]	August Budget [I]	September Budget [J]	October Budget [K]	November Budget [L]	December Budget [M]	Line No
1	**Field Support**													1
2	P23 Construction Planning													2
3	Full Time Employees (a)	14	14	14	14	14	14	14	14	14	14	14	14	3
4	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5
6	Total Full Time Equivalents (a)+(b)	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	6
7	P48 Special Projects - Admin													7
8	Full Time Employees (a)	20	20	20	20	20	20	20	20	20	20	20	20	8
9	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10
11	Total Full Time Equivalents (a)+(b)	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	11
12	P49 Centralized Planning													12
13	Full Time Employees (a)	62	62	62	62	62	62	62	62	62	62	62	62	13
14	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Total Full Time Equivalents (a)+(b)	62.00	62.00	62.00	62.00	62.00	62.00	62.00	62.00	62.00	62.00	62.00	62.00	16
17	P55 Special Projects - Field Services													17
18	Full Time Employees (a)	95	95	95	95	95	95	95	95	95	95	95	95	18
19	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	19
20	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20
21	Total Full Time Equivalents (a)+(b)	95.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00	21
22	P56 System Integrity													22
23	Full Time Employees (a)	21	21	21	21	21	21	21	21	21	21	21	21	23
24	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25
26	Total Full Time Equivalents (a)+(b)	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	26
27	P57 Energy Efficiency & Commercial Account													27
28	Full Time Employees (a)	6	6	6	6	6	6	6	6	6	6	6	6	28
29	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	29
30	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30
31	Total Full Time Equivalents (a)+(b)	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	31
32	PC2 Business Support													32
33	Full Time Employees (a)	19	19	19	19	19	19	19	19	19	19	19	19	33
34	Part Time Employees	1	1	1	1	1	1	1	1	1	1	1	1	34
35	Full Time Equivalents for PT Employees (b)	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	35
36	Total Full Time Equivalents (a)+(b)	19.50	19.50	19.50	19.50	19.50	19.50	19.50	19.50	19.50	19.50	19.50	19.50	36
37	Total Field Support													37
38	Full Time Employees (a)	237	237	237	237	237	237	237	237	237	237	237	237	38
39	Part Time Employees	1	1	1	1	1	1	1	1	1	1	1	1	39
40	Full Time Equivalents for PT Employees (b)	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	40
41	Total Full Time Equivalents (a)+(b)	237.50	237.50	237.50	237.50	237.50	237.50	237.50	237.50	237.50	237.50	237.50	237.50	41
42	Total Operations													42
43	Full Time Employees (a)	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296	1,296	43
44	Part Time Employees	1	1	1	1	1	1	1	1	1	1	1	1	44
45	Full Time Equivalents for PT Employees (b)	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	45
46	Total Full Time Equivalents (a)+(b)	1,296.50	1,296.50	1,296.50	1,296.50	1,296.50	1,296.50	1,296.50	1,296.50	1,296.50	1,296.50	1,296.50	1,296.50	46

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Test Year Ending December 31, 2013

Line No	Department	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	Line No
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	
1	**Fleet, Supply Chain, Facilities and Meter Testing**													1
2	P02 Fleet													2
3	Full Time Employees (a)	26	26	26	26	26	26	26	26	26	26	26	26	3
4	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5
6	Total Full Time Equivalents (a)+(b)	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	6
7	P03 Supply Chain													7
8	Full Time Employees (a)	10	10	10	10	10	10	10	10	10	10	10	10	8
9	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10
11	Total Full Time Equivalents (a)+(b)	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	11
12	P14 Facilities													12
13	Full Time Employees (a)	2	2	2	2	2	2	2	2	2	2	2	2	13
14	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Total Full Time Equivalents (a)+(b)	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	16
17	P53 Meter Testing													17
18	Full Time Employees (a)	19	19	19	19	19	19	19	19	19	19	19	19	18
19	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	19
20	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20
21	Total Full Time Equivalents (a)+(b)	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	21
22	Total Fleet, Supply Chain, Facilities and Meter Testing													22
23	Full Time Employees (a)	57	57	57	57	57	57	57	57	57	57	57	57	23
24	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25
26	Total Full Time Equivalents (a)+(b)	57.00	57.00	57.00	57.00	57.00	57.00	57.00	57.00	57.00	57.00	57.00	57.00	26
27	**Total Peoples Gas Light and Coke Company**													27
28	Full Time Employees (a)	1,355	1,355	1,355	1,355	1,355	1,355	1,355	1,355	1,355	1,355	1,355	1,355	28
29	Part Time Employees	1	1	1	1	1	1	1	1	1	1	1	1	29
30	Full Time Equivalents for PT Employees (b)	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	30
31	Total Full Time Equivalents (a)+(b)	1,355.50	1,355.50	1,355.50	1,355.50	1,355.50	1,355.50	1,355.50	1,355.50	1,355.50	1,355.50	1,355.50	1,355.50	31

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Historical Year Ended December 31, 2011

Line No	Department	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	Line No
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	
1	**Officers and Administrative**													1
2	P06 Executive Office - President/COO													2
3	Full Time Employees (a)	4	4	4	4	4	4	4	4	4	4	4	4	3
4	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5
6	Total Full Time Equivalents (a)+(b)	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	6
7	**Operations**													7
8	**Executive Office**													8
9	P05 Executive Office - Gas Operations													9
10	Full Time Employees (a)	5	5	5	5	5	5	5	5	5	5	5	5	10
11	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12
13	Total Full Time Equivalents (a)+(b)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	13
14	**Field Operations**													14
15	P50 Contractor Services													15
16	Full Time Employees (a)	8	8	8	8	8	8	8	8	8	8	8	8	16
17	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18
19	Total Full Time Equivalents (a)+(b)	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	19
20	P72 North District Operations													20
21	Full Time Employees (a)	303	303	303	303	303	303	303	303	303	303	303	303	21
22	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23
24	Total Full Time Equivalents (a)+(b)	303.00	303.00	303.00	303.00	303.00	303.00	303.00	303.00	303.00	303.00	303.00	303.00	24
25	P73 South District Operations													25
26	Full Time Employees (a)	272	272	272	272	272	272	272	272	272	272	272	272	26
27	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	27
28	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28
29	Total Full Time Equivalents (a)+(b)	272.00	272.00	272.00	272.00	272.00	272.00	272.00	272.00	272.00	272.00	272.00	272.00	29
30	P79 Central District Operations													30
31	Full Time Employees (a)	282	282	282	282	282	282	282	282	282	282	282	282	31
32	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	32
33	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33
34	Total Full Time Equivalents (a)+(b)	282.00	282.00	282.00	282.00	282.00	282.00	282.00	282.00	282.00	282.00	282.00	282.00	34
35	Total Field Operations													35
36	Full Time Employees (a)	865	865	865	865	865	865	865	865	865	865	865	865	36
37	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	37
38	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38
39	Total Full Time Equivalents (a)+(b)	865.00	865.00	865.00	865.00	865.00	865.00	865.00	865.00	865.00	865.00	865.00	865.00	39
40	**Field Support**													40
41	P48 Special Projects - Admin													41
42	Full Time Employees (a)	19	19	19	19	19	19	19	19	19	19	19	19	42
43	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	43
44	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44
45	Total Full Time Equivalents (a)+(b)	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	45

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Historical Year Ended December 31, 2011

Line No	Department	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	Line No
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	
1	P49 Centralized Planning													1
2	Full Time Employees (a)	47	47	47	47	47	47	47	47	47	47	47	47	2
3	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4
5	Total Full Time Equivalents (a)+(b)	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	5
6	P55 Special Projects - Field Services													6
7	Full Time Employees (a)	101	101	101	101	101	101	101	101	101	101	101	101	7
8	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	8
9	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9
10	Total Full Time Equivalents (a)+(b)	101.00	101.00	101.00	101.00	101.00	101.00	101.00	101.00	101.00	101.00	101.00	101.00	10
11	P56 System Integrity													11
12	Full Time Employees (a)	18	18	18	18	18	18	18	18	18	18	18	18	12
13	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14
15	Total Full Time Equivalents (a)+(b)	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	15
16	P57 Energy Efficiency & Commercial Account													16
17	Full Time Employees (a)	6	6	6	6	6	6	6	6	6	6	6	6	17
18	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19
20	Total Full Time Equivalents (a)+(b)	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	20
21	Total Field Support													21
22	Full Time Employees (a)	191	191	191	191	191	191	191	191	191	191	191	191	22
23	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24
25	Total Full Time Equivalents (a)+(b)	191.00	191.00	191.00	191.00	191.00	191.00	191.00	191.00	191.00	191.00	191.00	191.00	25
26	Total Operations													26
27	Full Time Employees (a)	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	27
28	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	28
29	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29
30	Total Full Time Equivalents (a)+(b)	1,061.00	1,061.00	1,061.00	1,061.00	1,061.00	1,061.00	1,061.00	1,061.00	1,061.00	1,061.00	1,061.00	1,061.00	30
31	**Fleet, Supply Chain, Facilities and Meter Testing**													31
32	P02 Fleet													32
33	Full Time Employees (a)	26	26	26	26	26	26	26	26	26	26	26	26	33
34	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	34
35	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	35
36	Total Full Time Equivalents (a)+(b)	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	36
37	P03 Supply Chain													37
38	Full Time Employees (a)	10	10	10	10	10	10	10	10	10	10	10	10	38
39	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40
41	Total Full Time Equivalents (a)+(b)	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	41
42	P14 Facilities Services													42
43	Full Time Employees (a)	2	2	2	2	2	2	2	2	2	2	2	2	43
44	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	44
45	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45
46	Total Full Time Equivalents (a)+(b)	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	46

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Historical Year Ended December 31, 2011

Line No	Department	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	Line No
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	
1	P53 Meter Testing													1
2	Full Time Employees (a)	17	17	17	17	17	17	17	17	17	17	17	17	2
3	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4
5	Total Full Time Equivalents (a)+(b)	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	5
6	Total Fleet, Supply Chain, Facilities and Meter Testing													6
7	Full Time Employees (a)	55	55	55	55	55	55	55	55	55	55	55	55	7
8	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	8
9	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9
10	Total Full Time Equivalents (a)+(b)	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	10
11	**Total Peoples Gas Light and Coke Company**													11
12	Full Time Employees (a)	1,120	1,120	1,120	1,120	1,120	1,120	1,120	1,120	1,120	1,120	1,120	1,120	12
13	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14
15	Total Full Time Equivalents (a)+(b)	1,120.00	1,120.00	1,120.00	1,120.00	1,120.00	1,120.00	1,120.00	1,120.00	1,120.00	1,120.00	1,120.00	1,120.00	15

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Historical Year Ended December 31, 2010

Line No	Department	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	Line No
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	
1	**Officers and Administrative**													1
2	P06 Executive Office - President/COO													2
3	Full Time Employees (a)	5	5	5	5	5	5	5	5	5	5	5	5	3
4	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5
6	Total Full Time Equivalents (a)+(b)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6
7	**Operations**													7
8	**Executive Office**													8
9	P05 Executive Office - Gas Operations													9
10	Full Time Employees (a)	17	17	17	17	17	17	11	11	11	11	11	11	10
11	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12
13	Total Full Time Equivalents (a)+(b)	17.00	17.00	17.00	17.00	17.00	17.00	11.00	11.00	11.00	11.00	11.00	11.00	13
14	**Field Operations**													14
15	P44 New Installations													15
16	Full Time Employees (a)	11	11	11	11	11	11	11	11	11	11	11	11	16
17	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18
19	Total Full Time Equivalents (a)+(b)	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	19
20	P50 Contractor Services													20
21	Full Time Employees (a)	15	15	15	15	15	15	15	15	15	15	15	15	21
22	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23
24	Total Full Time Equivalents (a)+(b)	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	24
25	P52 Gas Operations													25
26	Full Time Employees (a)	22	22	22	22	22	22	22	22	22	22	22	22	26
27	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	27
28	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28
29	Total Full Time Equivalents (a)+(b)	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	29
30	P72 North District Operations													30
31	Full Time Employees (a)	303	303	303	303	303	303	306	306	306	306	306	306	31
32	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	32
33	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33
34	Total Full Time Equivalents (a)+(b)	303.00	303.00	303.00	303.00	303.00	303.00	306.00	306.00	306.00	306.00	306.00	306.00	34
35	P73 South District Operations													35
36	Full Time Employees (a)	271	271	271	271	271	271	274	274	274	274	274	274	36
37	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	37
38	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38
39	Total Full Time Equivalents (a)+(b)	271.00	271.00	271.00	271.00	271.00	271.00	274.00	274.00	274.00	274.00	274.00	274.00	39
40	P79 Central District Operations													40
41	Full Time Employees (a)	275	275	275	275	275	275	275	275	275	275	275	275	41
42	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43
44	Total Full Time Equivalents (a)+(b)	275.00	275.00	275.00	275.00	275.00	275.00	275.00	275.00	275.00	275.00	275.00	275.00	44
45	Total Field Operations													45
46	Full Time Employees (a)	897	897	897	897	897	897	903	903	903	903	903	903	46
47	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	47
48	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	48
49	Total Full Time Equivalents (a)+(b)	897.00	897.00	897.00	897.00	897.00	897.00	903.00	903.00	903.00	903.00	903.00	903.00	49

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Historical Year Ended December 31, 2010

Line No	Department	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	Line No
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	
1	**Field Support**													1
2	P48 Special Projects - Admin													2
3	Full Time Employees (a)	9	9	9	9	10	10	10	10	10	10	10	10	3
4	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5
6	Total Full Time Equivalents (a)+(b)	9.00	9.00	9.00	9.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	6
7	P49 Centralized Planning													7
8	Full Time Employees (a)	35	35	35	35	35	35	35	35	35	35	35	35	8
9	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10
11	Total Full Time Equivalents (a)+(b)	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	11
12	P55 Special Projects - Field Services													12
13	Full Time Employees (a)	86	86	86	86	86	86	86	86	86	86	86	86	13
14	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Total Full Time Equivalents (a)+(b)	86.00	86.00	86.00	86.00	86.00	86.00	86.00	86.00	86.00	86.00	86.00	86.00	16
17	P56 System Integrity													17
18	Full Time Employees (a)	16	16	16	16	16	16	16	16	16	16	16	16	18
19	Part Time Employees	2	2	2	2	2	2	2	2	2	2	2	2	19
20	Full Time Equivalents for PT Employees (b)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	20
21	Total Full Time Equivalents (a)+(b)	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	21
22	Total Field Support													22
23	Full Time Employees (a)	146	146	146	146	147	147	147	147	147	147	147	147	23
24	Part Time Employees	2	2	2	2	2	2	2	2	2	2	2	2	24
25	Full Time Equivalents for PT Employees (b)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	25
26	Total Full Time Equivalents (a)+(b)	147.00	147.00	147.00	147.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	26
27	Total Operations													27
28	Full Time Employees (a)	1,060	1,060	1,060	1,060	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	28
29	Part Time Employees	2	2	2	2	2	2	2	2	2	2	2	2	29
30	Full Time Equivalents for PT Employees (b)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	30
31	Total Full Time Equivalents (a)+(b)	1,061.00	1,061.00	1,061.00	1,061.00	1,062.00	1,062.00	1,062.00	1,062.00	1,062.00	1,062.00	1,062.00	1,062.00	31
32	**Fleet, Supply Chain and Facilities**													32
33	P02 Fleet													33
34	Full Time Employees (a)	26	26	26	26	26	26	26	26	26	26	26	26	34
35	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	36
37	Total Full Time Equivalents (a)+(b)	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	37
38	P03 Supply Chain													38
39	Full Time Employees (a)	10	10	10	10	10	10	10	10	10	10	10	10	39
40	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41
42	Total Full Time Equivalents (a)+(b)	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	42
43	P14 Facilities Services													43
44	Full Time Employees (a)	2	2	2	2	2	2	2	2	2	2	2	2	44
45	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	45
46	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	46
47	Total Full Time Equivalents (a)+(b)	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	47

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Historical Year Ended December 31, 2010

Line No	Department [A]	January Budget [B]	February Budget [C]	March Budget [D]	April Budget [E]	May Budget [F]	June Budget [G]	July Budget [H]	August Budget [I]	September Budget [J]	October Budget [K]	November Budget [L]	December Budget [M]	Line No
1	Total Fleet, Supply Chain and Facilities													1
2	Full Time Employees (a)	38	38	38	38	38	38	38	38	38	38	38	38	2
3	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4
5	Total Full Time Equivalents (a)+(b)	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	5
6	**Meter Testing**													
7	P53 Meter Testing													7
8	Full Time Employees (a)	16	16	17	17	17	17	17	17	17	17	17	17	8
9	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10
11	Total Full Time Equivalents (a)+(b)	16.00	16.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	11
12	**Total Peoples Gas Light and Coke Company**													12
13	Full Time Employees (a)	1,119	1,119	1,120	1,120	1,121	1,121	1,121	1,121	1,121	1,121	1,121	1,121	13
14	Part Time Employees	2	2	2	2	2	2	2	2	2	2	2	2	14
15	Full Time Equivalents for PT Employees (b)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	15
16	Total Full Time Equivalents (a)+(b)	1,120.00	1,120.00	1,121.00	1,121.00	1,122.00	1,122.00	1,122.00	1,122.00	1,122.00	1,122.00	1,122.00	1,122.00	16

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Historical Year Ended December 31, 2009 (1)

Line No	Department	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	Line No
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	
1	**Officers and Administrative**													1
2	P06 Executive Office - President/COO													2
3	Full Time Employees (a)	3	3	3	3	3	3	3	3	3	3	3	3	3
4	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5
6	Total Full Time Equivalents (a)+(b)	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	6
7	P23 PGL Accounting													7
8	Full Time Employees (a)	2	2	2	2	2	2	2	2	2	2	2	2	8
9	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10
11	Total Full Time Equivalents (a)+(b)	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	11
12	Total Officers and Administration													12
13	Full Time Employees (a)	5	5	5	5	5	5	5	5	5	5	5	5	13
14	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Total Full Time Equivalents (a)+(b)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	16
17	**Operations**													17
18	**Executive Office**													18
19	P05 Executive Office - Gas Operations													19
20	Full Time Employees (a)	17	17	17	17	17	17	17	17	17	17	17	17	20
21	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	21
22	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22
23	Total Full Time Equivalents (a)+(b)	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	23
24	**Field Operations**													24
25	P44 New Installations													25
26	Full Time Employees (a)	14	14	14	14	14	14	14	14	14	14	14	14	26
27	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	27
28	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28
29	Total Full Time Equivalents (a)+(b)	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	29
30	P50 Contractor Services													30
31	Full Time Employees (a)	16	16	16	16	16	16	16	16	16	16	16	16	31
32	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	32
33	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33
34	Total Full Time Equivalents (a)+(b)	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00	34
35	P52 Gas Operations													35
36	Full Time Employees (a)	22	22	22	22	22	22	22	22	22	22	22	22	36
37	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	37
38	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38
39	Total Full Time Equivalents (a)+(b)	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	39
40	P72 North District Operations													40
41	Full Time Employees (a)	300	300	305	305	312	312	312	312	312	312	312	312	41
42	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43
44	Total Full Time Equivalents (a)+(b)	300.00	300.00	305.00	305.00	312.00	312.00	312.00	312.00	312.00	312.00	312.00	312.00	44

Note: (1) For 2009, the budget column represents a revised budget that was used for management purposes due to the economic downturn. The revised budget was addressed in Docket Nos. 09-0166/0167 (Cons.).

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Historical Year Ended December 31, 2009 (1)

Line No	Department	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	Line No
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	
1	P73 South District Operations													1
2	Full Time Employees (a)	276	276	276	276	276	276	276	276	276	276	276	276	2
3	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4
5	Total Full Time Equivalents (a)+(b)	276.00	276.00	276.00	276.00	276.00	276.00	276.00	276.00	276.00	276.00	276.00	276.00	5
6	P79 Central District Operations													6
7	Full Time Employees (a)	265	265	267	267	270	270	270	270	270	270	270	270	7
8	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	8
9	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9
10	Total Full Time Equivalents (a)+(b)	265.00	265.00	267.00	267.00	270.00	270.00	270.00	270.00	270.00	270.00	270.00	270.00	10
11	Total Field Operations													11
12	Full Time Employees (a)	893	893	900	900	910	910	910	910	910	910	910	910	12
13	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14
15	Total Full Time Equivalents (a)+(b)	893.00	893.00	900.00	900.00	910.00	910.00	910.00	910.00	910.00	910.00	910.00	910.00	15
16	**Field Support**													16
17	P45 Compliance Monitoring Group													17
18	Full Time Employees (a)	6	6	6	6	6	6	6	6	6	6	6	6	18
19	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	19
20	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20
21	Total Full Time Equivalents (a)+(b)	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	21
22	P48 Special Projects - Admin													22
23	Full Time Employees (a)	12	12	12	12	12	12	12	12	12	12	12	12	23
24	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25
26	Total Full Time Equivalents (a)+(b)	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	26
27	P49 Centralized Planning													27
28	Full Time Employees (a)	22	22	22	22	22	22	22	22	22	22	22	22	28
29	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	29
30	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30
31	Total Full Time Equivalents (a)+(b)	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	31
32	P55 Special Projects - Field Services													32
33	Full Time Employees (a)	107	107	107	107	107	107	107	107	107	107	107	107	33
34	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	34
35	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	35
36	Total Full Time Equivalents (a)+(b)	107.00	107.00	107.00	107.00	107.00	107.00	107.00	107.00	107.00	107.00	107.00	107.00	36
37	Total Field Support													37
38	Full Time Employees (a)	147	147	147	147	147	147	147	147	147	147	147	147	38
39	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40
41	Total Full Time Equivalents (a)+(b)	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	41
42	Total Operations													42
43	Full Time Employees (a)	1,057	1,057	1,064	1,064	1,074	1,074	1,074	1,074	1,074	1,074	1,074	1,074	43
44	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	44
45	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45
46	Total Full Time Equivalents (a)+(b)	1,057.00	1,057.00	1,064.00	1,064.00	1,074.00	1,074.00	1,074.00	1,074.00	1,074.00	1,074.00	1,074.00	1,074.00	46

Note: (1) For 2009, the budget column represents a revised budget that was used for management purposes due to the economic downturn. The revised budget was addressed in Docket Nos. 09-0166/0167 (Cons.).

The Peoples Gas Light and Coke Company

Budgeted Number of Employees

Historical Year Ended December 31, 2009 (1)

Line No	Department	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	Line No
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	
1	**Fleet, Materials and Facilities**													1
2	P02 Fleet													2
3	Full Time Employees (a)	29	29	29	29	29	29	29	29	29	29	29	29	3
4	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5
6	Total Full Time Equivalents (a)+(b)	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	6
7	P03 Materials Management													7
8	Full Time Employees (a)	12	12	12	12	12	12	12	12	12	12	12	12	8
9	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10
11	Total Full Time Equivalents (a)+(b)	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	11
12	P14 Facilities													12
13	Full Time Employees (a)	2	2	2	2	2	2	2	2	2	2	2	2	13
14	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Total Full Time Equivalents (a)+(b)	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	16
17	Total Fleet, Materials and Facilities													17
18	Full Time Employees (a)	43	43	43	43	43	43	43	43	43	43	43	43	18
19	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	19
20	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20
21	Total Full Time Equivalents (a)+(b)	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	43.00	21
22	**Meter Testing**													22
23	P53 Meter Testing													23
24	Full Time Employees (a)	17	17	17	17	17	17	17	17	17	17	17	17	24
25	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26
27	Total Full Time Equivalents (a)+(b)	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	27
28	**Total Peoples Gas Light and Coke Company**													28
29	Full Time Employees (a)	1,122	1,122	1,129	1,129	1,139	1,139	1,139	1,139	1,139	1,139	1,139	1,139	29
30	Part Time Employees	0	0	0	0	0	0	0	0	0	0	0	0	30
31	Full Time Equivalents for PT Employees (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31
32	Total Full Time Equivalents (a)+(b)	1,122.00	1,122.00	1,129.00	1,129.00	1,139.00	1,139.00	1,139.00	1,139.00	1,139.00	1,139.00	1,139.00	1,139.00	32

Note: (1) For 2009, the budget column represents a revised budget that was used for management purposes due to the economic downturn. The revised budget was addressed in Docket Nos. 09-0166/0167 (Cons.).

The Peoples Gas Light and Coke Company

Forecasted Property Taxes

Line No.	County	Current Year Ended December 31, 2010		Forecasted Year Ending December 31, 2012 (1)		Test Year Ending December 31, 2013		
		Equalized Assessed Value	Effective Tax Rate	Equalized Assessed Value	Effective Tax Rate	Equalized Assessed Value	Effective Tax Rate	Basis for Escalation Rate Used in Test Year
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]
1	Champaign	$1,422,570	7.472%	$1,422,570	7.614%	$1,422,570	7.827%	The Company assumed an increase in the effective tax rate of 1.9% for 2011 and 2012 and 2.8% for 2013.
2	Cook	$15,752,982	5.594%	$15,752,982	5.700%	$15,752,982	5.860%	
3	Will	$583,246	6.765%	$583,246	6.893%	$583,246	7.086%	

4 Description of Methodology Used to Derive Forecasted Amounts Reflected on Schedule C-19 (Property Taxes):

5 The company used the last known liability paid (2010 in 2011) as the starting point, and estimated the taxes
6 based upon the taxes paid using the inflation assumptions of 1.9% in 2011 and 2012 and 2.8% in 2013.

7 Property tax recoveries obtained from any appeals process for 2011, 2010, 2009

		2011	2010	2009
		[A]	[B]	[C]
8	Amount Recovered	$11,494	$3,039	$170,665

Notes: (1) Includes zero months of actual and twelve months of forecasted data.

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The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to
the Originally Approved Forecast

Line No.	Account	June, 2011 Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 48,302,000	$ 47,753,000	$ 549,000	1.1%	1
2	Operating Expenses:					2
3	Cost Of Gas	18,582,000	16,767,000	1,815,000	10.8%	3
4	Other Operation and Maintenance	25,026,000	28,712,000	(3,686,000)	(12.8%)	4
5	Depreciation Expense	6,454,000	6,499,000	(45,000)	(0.7%)	5
6	Amortization Of Other Limited Term Gas Plant	473,000	470,000	3,000	0.6%	6
7	Taxes Other Than Income	1,685,000	1,635,000	50,000	3.1%	7
8	Federal Income Taxes - Current	(5,315,000)	(3,015,000)	(2,300,000)	76.3%	8
9	State Income Taxes - Current	(500,000)	(469,000)	(31,000)	6.6%	9
10	Deferred Income Taxes	2,909,000	131,000	2,778,000	2120.6%	10
11	Investment Tax Credit	17,000	17,000	-	0.0%	11
12	Total Operating Expenses	49,331,000	50,747,000	(1,416,000)	(2.8%)	12
13	Operating Income	(1,029,000)	(2,994,000)	1,965,000	(65.6%)	13
14	Income From Utility Plant Leased to Others	6,000	6,000	-	0.0%	14
15	Utility Operating Income	(1,023,000)	(2,988,000)	1,965,000	(65.8%)	15
16	Other Income, Net of Income Deductions	27,000	2,000	25,000	1250.0%	16
17	Income Before Interest Charges	(996,000)	(2,986,000)	1,990,000	(66.6%)	17
18	Interest Charges	2,254,000	2,291,000	(37,000)	(1.6%)	18
19	Net Income	$ (3,250,000)	$ (5,277,000)	$ 2,027,000	(38.4%)	19

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The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to
the Originally Approved Forecast

Line No.	Account	July, 2011 Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 42,654,000	$ 43,233,000	$ (579,000)	(1.3%)	1
2	Operating Expenses:					2
3	Cost Of Gas	13,086,000	13,544,000	(458,000)	(3.4%)	3
4	Other Operation and Maintenance	19,780,000	24,175,000	(4,395,000)	(18.2%)	4
5	Depreciation Expense	6,489,000	6,547,000	(58,000)	(0.9%)	5
6	Amortization Of Other Limited Term Gas Plant	473,000	470,000	3,000	0.6%	6
7	Taxes Other Than Income	1,555,000	1,636,000	(81,000)	(5.0%)	7
8	Federal Income Taxes - Current	(3,920,000)	(2,489,000)	(1,431,000)	57.5%	8
9	State Income Taxes - Current	(1,203,000)	(396,000)	(807,000)	203.8%	9
10	Deferred Income Taxes	4,950,000	788,000	4,162,000	528.2%	10
11	Investment Tax Credit	17,000	17,000	-	0.0%	11
12	Total Operating Expenses	41,227,000	44,292,000	(3,065,000)	(6.9%)	12
13	Operating Income	1,427,000	(1,059,000)	2,486,000	(234.7%)	13
14	Income From Utility Plant Leased to Others	5,000	6,000	(1,000)	(16.7%)	14
15	Utility Operating Income	1,432,000	(1,053,000)	2,485,000	(236.0%)	15
16	Other Income, Net of Income Deductions	(193,000)	(6,000)	(187,000)	3116.7%	16
17	Income Before Interest Charges	1,239,000	(1,059,000)	2,298,000	(217.0%)	17
18	Interest Charges	2,001,000	2,297,000	(296,000)	(12.9%)	18
19	Net Income	$ (762,000)	$ (3,356,000)	$ 2,594,000	(77.3%)	19

The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to
the Originally Approved Forecast

Line No.	Account	August , 2011				Line No.
		Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 41,949,000	$ 42,986,000	$ (1,037,000)	(2.4%)	1
2	Operating Expenses:					2
3	Cost Of Gas	12,096,000	12,631,000	(535,000)	(4.2%)	3
4	Other Operation and Maintenance	22,454,000	25,487,000	(3,033,000)	(11.9%)	4
5	Depreciation Expense	6,541,000	6,576,000	(35,000)	(0.5%)	5
6	Amortization Of Other Limited Term Gas Plant	473,000	470,000	3,000	0.6%	6
7	Taxes Other Than Income	1,383,000	1,698,000	(315,000)	(18.6%)	7
8	Federal Income Taxes - Current	(4,936,000)	(2,739,000)	(2,197,000)	80.2%	8
9	State Income Taxes - Current	(1,505,000)	(431,000)	(1,074,000)	249.2%	9
10	Deferred Income Taxes	5,341,000	781,000	4,560,000	583.9%	10
11	Investment Tax Credit	17,000	17,000	-	0.0%	11
12	Total Operating Expenses	41,864,000	44,490,000	(2,626,000)	(5.9%)	12
13	Operating Income	85,000	(1,504,000)	1,589,000	(105.7%)	13
14	Income From Utility Plant Leased to Others	5,000	6,000	(1,000)	(16.7%)	14
15	Utility Operating Income	90,000	(1,498,000)	1,588,000	(106.0%)	15
16	Other Income, Net of Income Deductions	(23,000)	(31,000)	8,000	(25.8%)	16
17	Income Before Interest Charges	67,000	(1,529,000)	1,596,000	(104.4%)	17
18	Interest Charges	1,941,000	2,299,000	(358,000)	(15.6%)	18
19	Net Income	$ (1,874,000)	$ (3,828,000)	$ 1,954,000	(51.0%)	19

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The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to
the Originally Approved Forecast

Line No.	Account	September, 2011 Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 44,881,000	$ 45,417,000	$ (536,000)	(1.2%)	1
2	Operating Expenses:					2
3	Cost Of Gas	14,119,000	13,502,000	617,000	4.6%	3
4	Other Operation and Maintenance	27,571,000	27,556,000	15,000	0.1%	4
5	Depreciation Expense	6,557,000	6,554,000	3,000	0.0%	5
6	Amortization Of Other Limited Term Gas Plant	476,000	465,000	11,000	2.4%	6
7	Taxes Other Than Income	1,957,000	1,639,000	318,000	19.4%	7
8	Federal Income Taxes - Current	(5,739,000)	(2,300,000)	(3,439,000)	149.5%	8
9	State Income Taxes - Current	(2,398,000)	(371,000)	(2,027,000)	546.4%	9
10	Deferred Income Taxes	5,429,000	116,000	5,313,000	4580.2%	10
11	Investment Tax Credit	17,000	17,000	-	0.0%	11
12	Total Operating Expenses	47,989,000	47,178,000	811,000	1.7%	12
13	Operating Income	(3,108,000)	(1,761,000)	(1,347,000)	76.5%	13
14	Income From Utility Plant Leased to Others	6,000	7,000	(1,000)	(14.3%)	14
15	Utility Operating Income	(3,102,000)	(1,754,000)	(1,348,000)	76.9%	15
16	Other Income, Net of Income Deductions	(74,000)	(65,000)	(9,000)	13.8%	16
17	Income Before Interest Charges	(3,176,000)	(1,819,000)	(1,357,000)	74.6%	17
18	Interest Charges	850,000	2,299,000	(1,449,000)	(63.0%)	18
19	Net Income	$ (4,026,000)	$ (4,118,000)	$ 92,000	(2.2%)	19

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The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to
the Originally Approved Forecast

		October, 2011				
Line No.	Account	Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 61,530,000	$ 73,760,000	$ (12,230,000)	(16.6%)	1
2	Operating Expenses:					2
3	Cost Of Gas	23,446,000	34,323,000	(10,877,000)	(31.7%)	3
4	Other Operation and Maintenance	20,763,000	25,788,000	(5,025,000)	(19.5%)	4
5	Depreciation Expense	6,620,000	6,605,000	15,000	0.2%	5
6	Amortization Of Other Limited Term Gas Plant	478,000	459,000	19,000	4.1%	6
7	Taxes Other Than Income	1,435,000	1,628,000	(193,000)	(11.9%)	7
8	Federal Income Taxes - Current	(1,791,000)	300,000	(2,091,000)	(697.0%)	8
9	State Income Taxes - Current	(649,000)	(15,000)	(634,000)	4226.7%	9
10	Deferred Income Taxes	5,344,000	782,000	4,562,000	583.4%	10
11	Investment Tax Credit	17,000	17,000	-	0.0%	11
12	Total Operating Expenses	55,663,000	69,887,000	(14,224,000)	(20.4%)	12
13	Operating Income	5,867,000	3,873,000	1,994,000	51.5%	13
14	Income From Utility Plant Leased to Others	6,000	6,000	-	0.0%	14
15	Utility Operating Income	5,873,000	3,879,000	1,994,000	51.4%	15
16	Other Income, Net of Income Deductions	(34,000)	(62,000)	28,000	(45.2%)	16
17	Income Before Interest Charges	5,839,000	3,817,000	2,022,000	53.0%	17
18	Interest Charges	2,050,000	2,376,000	(326,000)	(13.7%)	18
19	Net Income	$ 3,789,000	$ 1,441,000	$ 2,348,000	162.9%	19

The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to
the Originally Approved Forecast

Line No.	Account	November, 2011 Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 90,888,000	$ 111,597,000	$ (20,709,000)	(18.6%)	1
2	Operating Expenses:					2
3	Cost Of Gas	42,272,000	60,923,000	(18,651,000)	(30.6%)	3
4	Other Operation and Maintenance	25,982,000	25,836,000	146,000	0.6%	4
5	Depreciation Expense	6,653,000	6,669,000	(16,000)	(0.2%)	5
6	Amortization Of Other Limited Term Gas Plant	476,000	459,000	17,000	3.7%	6
7	Taxes Other Than Income	1,594,000	1,666,000	(72,000)	(4.3%)	7
8	Federal Income Taxes - Current	(3,255,000)	4,164,000	(7,419,000)	(178.2%)	8
9	State Income Taxes - Current	(974,000)	513,000	(1,487,000)	(289.9%)	9
10	Deferred Income Taxes	9,053,000	782,000	8,271,000	1057.7%	10
11	Investment Tax Credit	22,000	17,000	5,000	29.4%	11
12	Total Operating Expenses	81,823,000	101,029,000	(19,206,000)	(19.0%)	12
13	Operating Income	9,065,000	10,568,000	(1,503,000)	(14.2%)	13
14	Income From Utility Plant Leased to Others	23,000	6,000	17,000	283.3%	14
15	Utility Operating Income	9,088,000	10,574,000	(1,486,000)	(14.1%)	15
16	Other Income, Net of Income Deductions	(141,000)	(11,000)	(130,000)	1181.8%	16
17	Income Before Interest Charges	8,947,000	10,563,000	(1,616,000)	(15.3%)	17
18	Interest Charges	2,067,000	2,333,000	(266,000)	(11.4%)	18
19	Net Income	$ 6,880,000	$ 8,230,000	$ (1,350,000)	(16.4%)	19

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The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to the Originally Approved Forecast

Line No.	Account	December, 2011 Actual	Budget (1)	Actual Vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 126,935,000	$ 159,381,000	$ (32,446,000)	(20.4%)	1
2	Operating Expenses:					2
3	Cost Of Gas	66,460,000	97,779,000	(31,319,000)	(32.0%)	3
4	Other Operation and Maintenance	31,432,000	28,777,000	2,655,000	9.2%	4
5	Depreciation Expense	6,661,000	6,696,000	(35,000)	(0.5%)	5
6	Amortization Of Other Limited Term Gas Plant	480,000	460,000	20,000	4.3%	6
7	Taxes Other Than Income	1,776,000	1,593,000	183,000	11.5%	7
8	Federal Income Taxes - Current	12,655,000	6,863,000	5,792,000	84.4%	8
9	State Income Taxes - Current	4,188,000	886,000	3,302,000	372.7%	9
10	Deferred Income Taxes	(13,232,000)	837,000	(14,069,000)	(1680.9%)	10
11	Investment Tax Credit	(263,000)	17,000	(280,000)	(1647.1%)	11
12	Total Operating Expenses	110,157,000	143,908,000	(33,751,000)	(23.5%)	12
13	Operating Income	16,778,000	15,473,000	1,305,000	8.4%	13
14	Income From Utility Plant Leased to Others	6,000	6,000	-	0.0%	14
15	Utility Operating Income	16,784,000	15,479,000	1,305,000	8.4%	15
16	Other Income, Net of Income Deductions	556,000	(19,000)	575,000	(3026.3%)	16
17	Income Before Interest Charges	17,340,000	15,460,000	1,880,000	12.2%	17
18	Interest Charges	2,001,000	2,361,000	(360,000)	(15.2%)	18
19	Net Income	$ 15,339,000	$ 13,099,000	$ 2,240,000	17.1%	19

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The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to the Originally Approved Forecast

Line No.	Account	January, 2012 Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 139,187,000	$ 168,490,000	$ (29,303,000)	(17.4%)	1
2	Operating Expenses:					2
3	Cost Of Gas	72,768,000	103,857,000	(31,089,000)	(29.9%)	3
4	Other Operation and Maintenance	28,095,000	28,350,000	(255,000)	(0.9%)	4
5	Depreciation Expense	6,700,000	6,750,000	(50,000)	(0.7%)	5
6	Amortization Of Other Limited Term Gas Plant	477,000	476,000	1,000	0.2%	6
7	Taxes Other Than Income	2,011,000	1,927,000	84,000	4.4%	7
8	Federal Income Taxes - Current	2,321,000	2,040,000	281,000	13.8%	8
9	State Income Taxes - Current	1,204,000	582,000	622,000	106.9%	9
10	Deferred Income Taxes	7,540,000	7,934,000	(394,000)	(5.0%)	10
11	Investment Tax Credit	6,000	6,000	-	0.0%	11
12	Total Operating Expenses	121,122,000	151,922,000	(30,800,000)	(20.3%)	12
13	Operating Income	18,065,000	16,568,000	1,497,000	9.0%	13
14	Income From Utility Plant Leased to Others	6,000	(1,000)	7,000	(700.0%)	14
15	Utility Operating Income	18,071,000	16,567,000	1,504,000	9.1%	15
16	Other Income, Net of Income Deductions	63,000	11,000	52,000	472.7%	16
17	Income Before Interest Charges	18,134,000	16,578,000	1,556,000	9.4%	17
18	Interest Charges	2,067,000	2,105,000	(38,000)	(1.8%)	18
19	Net Income	$ 16,067,000	$ 14,473,000	$ 1,594,000	11.0%	19

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The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to
the Originally Approved Forecast

Line No.	Account	February, 2012 Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 119,994,000	$ 159,787,000	$ (39,793,000)	(24.9%)	1
2	Operating Expenses:					2
3	Cost Of Gas	54,534,000	95,844,000	(41,310,000)	(43.1%)	3
4	Other Operation and Maintenance	25,778,000	27,976,000	(2,198,000)	(7.9%)	4
5	Depreciation Expense	6,714,000	6,789,000	(75,000)	(1.1%)	5
6	Amortization Of Other Limited Term Gas Plant	477,000	476,000	1,000	0.2%	6
7	Taxes Other Than Income	1,958,000	1,862,000	96,000	5.2%	7
8	Federal Income Taxes - Current	2,478,000	1,923,000	555,000	28.9%	8
9	State Income Taxes - Current	1,251,000	562,000	689,000	122.6%	9
10	Deferred Income Taxes	7,909,000	7,934,000	(25,000)	(0.3%)	10
11	Investment Tax Credit	6,000	6,000	-	0.0%	11
12	Total Operating Expenses	101,105,000	143,372,000	(42,267,000)	(29.5%)	12
13	Operating Income	18,889,000	16,415,000	2,474,000	15.1%	13
14	Income From Utility Plant Leased to Others	5,000	(1,000)	6,000	(600.0%)	14
15	Utility Operating Income	18,894,000	16,414,000	2,480,000	15.1%	15
16	Other Income, Net of Income Deductions	(4,000)	-	(4,000)	-	16
17	Income Before Interest Charges	18,890,000	16,414,000	2,476,000	15.1%	17
18	Interest Charges	2,051,000	2,140,000	(89,000)	(4.2%)	18
19	Net Income	$ 16,839,000	$ 14,274,000	$ 2,565,000	18.0%	19

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The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to
the Originally Approved Forecast

Line No.	Account	March, 2012 Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	$ 81,800,000	$ 131,266,000	$ (49,466,000)	(37.7%)	1
2	Operating Expenses:					2
3	Cost Of Gas	25,317,000	70,918,000	(45,601,000)	(64.3%)	3
4	Other Operation and Maintenance	28,277,000	29,511,000	(1,234,000)	(4.2%)	4
5	Depreciation Expense	6,743,000	6,833,000	(90,000)	(1.3%)	5
6	Amortization Of Other Limited Term Gas Plant	477,000	476,000	1,000	0.2%	6
7	Taxes Other Than Income	1,704,000	2,236,000	(532,000)	(23.8%)	7
8	Federal Income Taxes - Current	(1,791,000)	(60,000)	(1,731,000)	2885.0%	8
9	State Income Taxes - Current	102,000	222,000	(120,000)	(54.1%)	9
10	Deferred Income Taxes	9,008,000	7,934,000	1,074,000	13.5%	10
11	Investment Tax Credit	6,000	6,000	-	0.0%	11
12	Total Operating Expenses	69,843,000	118,076,000	(48,233,000)	(40.8%)	12
13	Operating Income	11,957,000	13,190,000	(1,233,000)	(9.3%)	13
14	Income From Utility Plant Leased to Others	5,000	(1,000)	6,000	(600.0%)	14
15	Utility Operating Income	11,962,000	13,189,000	(1,227,000)	(9.3%)	15
16	Other Income, Net of Income Deductions	(84,000)	(12,000)	(72,000)	600.0%	16
17	Income Before Interest Charges	11,878,000	13,177,000	(1,299,000)	(9.9%)	17
18	Interest Charges	1,643,000	2,096,000	(453,000)	(21.6%)	18
19	Net Income	$ 10,235,000	$ 11,081,000	$ (846,000)	(7.6%)	19

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The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to
the Originally Approved Forecast

		April, 2012				
Line No.	Account	Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	[redacted]				1
2	Operating Expenses:					2
3	Cost Of Gas					3
4	Other Operation and Maintenance					4
5	Depreciation Expense					5
6	Amortization Of Other Limited Term Gas Plant					6
7	Taxes Other Than Income					7
8	Federal Income Taxes - Current					8
9	State Income Taxes - Current					9
10	Deferred Income Taxes					10
11	Investment Tax Credit					11
12	Total Operating Expenses					12
13	Operating Income					13
14	Income From Utility Plant Leased to Others					14
15	Utility Operating Income					15
16	Other Income, Net of Income Deductions					16
17	Income Before Interest Charges					17
18	Interest Charges					18
19	Net Income					19

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The Peoples Gas Light and Coke Company

Comparison of Actual Financial Results to
the Originally Approved Forecast

Line No.	Account	May, 2012				Line No.
		Actual	Budget	Actual Vs. Budget	Percentage Variation Actual vs. Budget	
	[A]	[B]	[C]	[D]	[E]	
1	Operating Revenues	[redacted]				1
2	Operating Expenses:					2
3	Cost Of Gas					3
4	Other Operation and Maintenance					4
5	Depreciation Expense					5
6	Amortization Of Other Limited Term Gas Plant					6
7	Taxes Other Than Income					7
8	Federal Income Taxes - Current					8
9	State Income Taxes - Current					9
10	Deferred Income Taxes					10
11	Investment Tax Credit					11
12	Total Operating Expenses					12
13	Operating Income					13
14	Income From Utility Plant Leased to Others					14
15	Utility Operating Income					15
16	Other Income, Net of Income Deductions					16
17	Income Before Interest Charges					17
18	Interest Charges					18
19	Net Income					19

The Peoples Gas Light and Coke Company

Income Statement

Line No.	Description	Test Year Ending December 31, 2013	Forecasted Year Ending December 31, 2012 (1)	Historical Year Ended December 31, 2011	Historical Year Ended December 31, 2010	Line No.
	[A]	[B]	[C]	[D]	(E)	
1	OPERATING REVENUES	$ 1,088,329,000	$ 1,132,474,000	$ 1,029,544,000	$ 1,071,419,000	1
2	OPERATING EXPENSES					2
3	Cost Of Gas	473,140,000	550,030,000	508,375,000	543,061,000	3
4	Other Operation and Maintenance	395,761,000	336,409,000	305,183,000	324,702,000	4
5	Depreciation Expense	90,903,000	83,429,000	78,119,000	73,853,000	5
6	Amortization Of Other Limited Term Gas Plant	5,572,000	5,638,000	5,696,000	5,729,000	6
7	Taxes Other Than Income	22,128,000	20,617,000	19,856,000	19,960,000	7
8	Income Taxes					8
9	Federal Income Taxes-Current	177,000	(47,295,000)	(9,979,000)	14,472,000	9
10	State Income Taxes-Current	(2,583,000)	(4,769,000)	(3,490,000)	4,676,000	10
11	Deferred Income Taxes	31,807,000	102,039,000	46,703,000	18,484,000	11
12	Investment Tax Credit	326,000	64,000	(68,000)	(356,000)	12
13	Total Operating Expenses	1,017,231,000	1,046,162,000	950,395,000	1,004,581,000	13
14	OPERATING INCOME	71,098,000	86,312,000	79,149,000	66,838,000	14
15	INCOME FROM GAS PLANT LEASED TO OTHERS					15
16	Revenues From Gas Plant Leased To Others	-	-	143,000	108,000	16
17	Expenses From Gas Plant Leased To Others	(17,000)	(17,000)	(17,000)	(17,000)	17
18	Total Income from Gas Plant Leased to Others	(17,000)	(17,000)	126,000	91,000	18
19	UTILITY OPERATING INCOME	71,081,000	86,295,000	79,275,000	66,929,000	19
20	OTHER INCOME AND (INCOME DEDUCTIONS)					20
21	Other Income					21
22	Interest and Dividend Income	2,555,000	2,471,000	783,000	622,000	22
23	Gain on Disposition of Property	-	-	(41,000)	(1,000)	23
24	Equity Earnings of Subsidiary Companies	59,000	34,000	(4,000)	1,000	24
25	Other	276,000	243,000	1,176,000	167,000	25
26	Total Other Income	2,890,000	2,748,000	1,914,000	789,000	26
27	Other Income Deductions	(1,473,000)	(1,453,000)	(1,487,000)	(1,766,000)	27
28	Taxes Applicable to Other Income and Deductions	(568,000)	(520,000)	(28,000)	1,635,000	28
29	Net Other Income and Income Deductions	849,000	775,000	399,000	658,000	29
30	INCOME BEFORE INTEREST CHARGES	71,930,000	87,070,000	79,674,000	67,587,000	30
31	INTEREST CHARGES					31
32	Interest on Long Term Debt	26,790,000	22,952,000	21,599,000	23,075,000	32
33	Amortization of Debt Discount and Expense	752,000	732,000	643,000	799,000	33
34	Amortization of Loss on Reacquired Debt	601,000	603,000	599,000	476,000	34
35	Other Interest	2,044,000	1,434,000	228,000	1,171,000	35
36	Total Interest Charges	30,187,000	25,721,000	23,069,000	25,521,000	36
37	NET INCOME/(LOSS)	$ 41,743,000	$ 61,349,000	$ 56,605,000	$ 42,066,000	37

Notes: (1) Includes zero months of actual data and twelve months of forecasted data.

The Peoples Gas Light and Coke Company

Comparative Balance Sheets

Line No.	Description	Test Year Ending December 31, 2013	Forecasted Year Ending December 31, 2012 (1)	Historical Year Ended December 31, 2011	Historical Year Ended December 31, 2010	Line No.
	[A]	[B]	[C]	[D]	[E]	
	Assets					
1	Utility Plant, Net	$ 2,330,790,000	$ 2,089,321,000	$ 1,904,635,000	$ 1,744,991,000	1
2	Investment in Subsidiary Companies	4,784,000	4,725,000	4,691,000	4,695,000	2
3	Other Property and Investments	77,000	77,000	77,000	6,618,000	3
4	Current Assets	324,153,000	320,686,000	331,265,000	367,053,000	4
5	Other Assets	867,179,000	887,747,000	943,985,000	872,750,000	5
6	Total Assets	$ 3,526,983,000	$ 3,302,556,000	$ 3,184,653,000	$ 2,996,107,000	6
	Capitalization and Liabilities					
7	Proprietary Capital	$ 685,921,000	$ 687,925,000	$ 699,043,000	$ 692,678,000	7
8	Long Term Debt	704,561,000	624,536,000	524,507,000	525,478,000	8
9	Current Liabilities	492,940,000	399,080,000	351,466,000	359,768,000	9
10	Deferred Credits and Other Liabilities	1,643,561,000	1,591,015,000	1,609,637,000	1,418,183,000	10
11	Total Capitalization and Liabilities	$ 3,526,983,000	$ 3,302,556,000	$ 3,184,653,000	$ 2,996,107,000	11

Note: (1) Includes zero months actual data and twelve months of forecasted data.

The Peoples Gas Light and Coke Company

Statement of Cash Flows

Line No.	Description	Test Year Ending December 31, 2013	Forecasted Year Ending December 31, 2012 (1)	Historical Year Ended December 31, 2011	Historical Year Ended December 31, 2010	Line No.
	[A]	[B]	[C]	[D]	[E]	
1	**Net Income**	$ 41,743,000	$ 61,349,000	$ 56,605,000	$ 42,066,000	1
2	**Adjustments to Reconcile Net Income to Net Cash**					2
3	**Flow Provided from Operating Activities:**					3
4	Depreciation and Amortization	96,475,000	89,067,000	83,815,000	79,582,000	4
5	Deferred Income Taxes and Investment Tax Credits, net	32,133,000	102,123,000	46,353,000	17,242,000	5
6	Pension (income)/ Post Retirement Liability	33,790,000	30,902,000	17,748,000	17,814,000	6
7	Pension and Post Retirement Funding	(10,159,000)	(86,731,000)	(23,208,000)	(18,776,000)	7
8	Other Changes	76,379,000	37,350,000	30,216,000	59,914,000	8
9	Changes in Working Capital, net	(48,528,000)	(87,996,000)	(51,466,000)	(19,013,000)	9
10	Net Cash Flow (used for) provided from Operating Activities	221,833,000	146,064,000	160,063,000	178,829,000	10
11	**Investing Activities**					11
12	Capital Expenditures	(342,928,000)	(278,700,000)	(133,992,000)	(76,216,000)	12
13	Other Investing Activities, net	-	8,900,000	(6,738,000)	8,451,000	13
14	Net Cash Flow used for Investing Activities	(342,928,000)	(269,800,000)	(140,730,000)	(67,765,000)	14
15	**Financing Activities**					15
16	Issuance of Long-Term Debt	200,000,000	100,000,000	50,000,000	-	16
17	Redemption of Long-Term Debt	(120,000,000)	-	(51,000,000)	(50,000,000)	17
18	Intercompany Loan Payable	-	-	-	(16,185,000)	18
19	Net Increase (Decrease) in Short-Term Debt	86,781,000	93,630,000	37,000,000	-	19
20	Equity Contribution from Parent	-	-	-	-	20
21	Return of Capital Paid to Parent	-	-	-	-	21
22	Other	(1,686,000)	(1,041,000)	(638,000)	(3,468,000)	22
23	Dividends Paid to Parent	(44,000,000)	(73,400,000)	(50,600,000)	(44,400,000)	23
24	Net Cash Flow provided from (used for) Financing Activities	121,095,000	119,189,000	(15,238,000)	(114,053,000)	24
25	**Net Increase (Decrease) in Cash**	$ -	$ (4,547,000)	$ 4,095,000	$ (2,989,000)	25

Note: (1) Includes zero months actual data and twelve months of forecasted data.

The Peoples Gas Light and Coke Company

Statement of Retained Earnings (1)

Line No.	Description [A]	Historical Year Ended December 31, 2010 [B]	Historical Year Ended December 31, 2011 [B]	Forecasted Year Ending December 31, 2012 (2) [C]	Test Year Ending December 31, 2013 [D]	Line No.
1	Account 21600 Unappropriated Retained Earnings					1
2	Balance at Beginning of Period	$ 474,913,000	$ 472,578,000	$ 478,446,000	$ 466,361,000	2
3	Add:					3
4	Net Income	42,065,000	56,609,000	61,315,000	41,684,000	4
5	Other	-	-	-	-	5
6	Less:					6
7	Common Stock Dividends Declared	44,400,000	50,741,000	73,400,000	44,000,000	7
8	Balance at End of Period	$ 472,578,000	$ 478,446,000	$ 466,361,000	$ 464,045,000	8
9	Account 21610 Unappropriated Undistributed Subsidiary Earnings					9
10	Balance at Beginning of Period	$ 1,636,000	$ 1,637,000	$ 1,633,000	$ 1,667,000	10
11	Add:					11
12	Net Income	1,000	(4,000)	34,000	59,000	12
13	Other	-	-	-	-	13
14	Less:					14
15	Common Stock Dividends Declared	-	-	-	-	15
16	Balance at End of Period	$ 1,637,000	$ 1,633,000	$ 1,667,000	$ 1,726,000	16

Notes: (1) Excludes Accumulated Other Comprehensive (Income) Loss of $679,000 ($1,127,000 less tax impact of $448,000), $735,000 ($1,223,000 less tax impact of $488,000)), $(198,000) ($260,000 less tax impact of $458,000) and $(451,000) (($2,000) less tax impact of $449,000) at 12/31/2010, 12/31/2011, 12/31/2012 and 12/31/2013 respectively.

Total Comprehensive Income (Loss) is $41,708,000, $56,549,000, $62,982,000 and $45,324,000 for Calendar Years 2010, 2011, 2012 and 2013 respectively.

(2) Includes zero months of actual data and twelve months of forecasted data.